



SCOTTISH
CHILDREN'S REPORTER
ADMINISTRATION

SCOTTISH CHILDREN'S REPORTER ADMINISTRATION

ANNUAL ACCOUNTS

CARE, CONNECT, PROTECT
2024/2025

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1. Performance Report

1.1 Performance Overview

1.1.1 Introduction

The Scottish Children's Reporter Administration (SCRA) is a national body focused on children and young people most at risk. SCRA was formed under the Local Government (Scotland) Act 1994 ('the Act') and became fully operational on 1st April 1996.

The Children's Hearings System provides the operational setting in which SCRA and our partner agencies work. The aim is to provide a safety net for vulnerable children and young people, and deliver tailored solutions which meet the needs and rights of the individuals involved, while helping to build stronger families and safer communities.

Our main responsibilities as set out in the Act are:

- To facilitate the work of Children's Reporters;
- To deploy and manage staff to carry out that work;
- To provide suitable accommodation for Children's Hearings.

For more information about what we do and how we carry out our role visit www.scra.gov.uk.

Our Vision, Mission and Values

Our Vision

Children and young people in Scotland will be cared for, included, respected and safe with opportunities for a positive future.

Our Mission

Together, we protect and uphold the rights of Scotland's children and Young People, making decisions in a compassionate, inclusive and trauma informed way.

Our Values

Our values are the shared motivations, beliefs and behaviours that underpin all that we do.

Supportive - We work with kindness to support children, young people and families, our partners and each other.

Child Centred - The rights and voice of children and young people are at the heart of everything we do.

Respectful - Everyone is respected and treated fairly, inclusively and lawfully.

Accountable - We are responsible for our decisions, our ethics and our learning.



Our Strategic Aims

SCRA's 2024-27 Corporate Plan sets out four strategic aims.

Our Strategic Aims

The Best Experience – This will be delivered through our Care Programme

We will influence and implement policy and practice that enables us to work in a way that is compassionate, rights based and inclusive.

Clear Communications – This will be delivered through our Connect Programme

Our systems, properties and communications will be designed to ensure safe interaction, clear understanding and be accessible to everyone who uses them.

The Best Service – This will be delivered through our Protect Programme

Children and young people will have the most effective and efficient route through the Hearings System. Our services will be fair, inclusive and informed.

People who Care, Connect, and Protect – This will be delivered through our Workforce Plan

A trauma informed workforce who are valued, skilled, and motivated to deliver the best service for children, young people and families.



Our Strategic Framework

The Corporate Plan’s aims and objectives are delivered in the Business Plans by the supporting strategies and programme framework.

Strategies and action plans are reviewed on a regular basis to ensure they are fit for purpose. Reports are prepared for SCRA’s Executive Management Team for review and are submitted to SCRA’s Board on a quarterly basis for assurance – ahead of this, reports are now also reviewed by the newly introduced Planning and Performance Committee.

Our Strategic Framework

Everything that we do is underpinned by our values, seeks to deliver on our aims and objectives and aspires to meet our vision. Our organisation’s vision maps through to the Scottish Government’s National Outcomes.

Scottish Government National Outcomes	Children and Young People	Fair Work & Business	Communities	Culture	Education	Environment	Health	Poverty	Human Rights
Our Vision	Children and young people in Scotland will be cared for, included, respected and safe with opportunities for a positive future.								
Our Mission	Together, we protect and uphold the rights of Scotland’s children and Young People, making decisions in a compassionate, inclusive and trauma informed way.								
Our Values	Supportive	Child Centred	Respectful	Accountable					
Our 2024-2027 Strategic Aims	The Best Experience Care	Clear communications Connect	The Best Service Protect	People who Care Connect and Protect					
Our Delivery Framework	Our Corporate Plan Aims Our Business Plan Objectives Delivered through our Programme Framework - Care, Connect, Protect Supported by our organisational strategies								

1.1.2 Chief Executive's Foreword

Welcome to SCRA's 2024/25 Annual Report and Accounts, which reflects the first year of the 2024-27 Corporate Plan.

SCRA's Corporate Plan 2024-27 set out ambition and optimism for the next three years as the Hearings System goes through a period of change, making improvements to the way the system operates and delivers its service – to make the experience better for children, young people and families.

The Corporate Plan has four key aims, to deliver what will provide children, young people and their families with the best and most efficient experience of the Hearings System, and will ensure that everyone who works to deliver that service is skilled, valued and motivated to do so.

The first year of that plan is the 2024/25 Business plan. This was agreed as a year focused on improvement:

- testing, evaluating and planning for roll out of what has been evidenced to really work and make a difference
- internally to keep our processes lean and efficient, and externally to provide the best experience we can to children, young people and families
- better and clearer information, more say in how arrangements are made, better preparation for coming to hearings, new ways to support communication and participation.

The 2024/25 Business Plan incorporates ten high level objectives spanning across our four Strategic Aims of the Corporate Plan. These set out new activity or specific focus taking place in the year, in pursuit of the overall aims.

The KPI section within the Performance Analysis provides insight into the operational delivery of the critical core service that provides the foundation and backdrop to what we do as an organisation while at the same time attending to and striving for improvement.

Underpinning the delivery of all of this is the context of change – change in the external environment and change internally as we refine, prepare and plan for that. Managing change well requires a robust strategy and approach, financial stability, digital enablement and supported, skilled and motivated people.

Approach to Change

- The first horizon of our Target Operating Model has been approved and communicated to staff to make the vision of the future really clear
- The approach to developing this model has undergone a second external assurance review with positive findings and supportive recommendations
- Further learning has taken place within the programme and change teams to support the wider staff group as change begins to roll out
- There has been a focus on benefits within the programme – to direct and promote the change ahead – ensuring that data is being identified and collected to support decision-making

- Evidence based decision making has been key to the approach being taken, ensuring that reasons are clear for doing things differently
- The programme team, digital team and operational development teams are working closely and collaboratively to ensure joint planning, dependency mapping and cohesive rollouts

Digital Enablement

- Improvements to the Case Management System have been made to ensure that the system is in a stable, steady state ahead of change and improvement
- Key to this has been Lean Waste Assessment – highlighting key areas of focus to draw out efficiencies, decrease complexity and enhance ease of the user experience
- Exploration and testing of a new redaction tool to support a critical element of SCRA's work has been undertaken and evaluated for viability of adoption
- Introduction of a calendar app to the system to improve the way that Hearings are scheduled and managed – a key efficiency for staff
- Digital Training and Skills Development has been a rolling programme to support our people use and navigate our systems and new technology confidently

Our People

- We focused on bringing people together and the importance of connection – through our Management events, our Networks and in the ongoing locality engagement work with business partners and with the change team.
- The rollout of trauma training across the organisation gave further opportunities for teams to come together, to talk, to support and to develop – as well as to develop key skills and knowledge.
- Change requires resilience and resilience requires attention to wellbeing – and with this focus we:
 - delivered the first phase of resilience training to managers which focused on understanding resilience in leadership and looking at proactive strategies to develop personal resilience plans.
 - Trained the fourth cohort of Mental Health First Aiders, including UNISON representatives. We have 31 trained staff across a variety of roles and locations.
 - Supported many health and wellbeing awareness campaigns across the year including Mental Health Week, Time to Talk which encourages the power of conversation in supporting our mental health, collating resources to support Carer's Week, and a 31 day wellbeing calendar of resources in October.
 - Held our seventh walking challenge in May, encouraging connection and the health benefits of exercise and accessing nature – over a third of the workforce took part.
 - Followed up an open survey with our workforce in the autumn (aimed at helping to inform plans for wellbeing and health awareness topics) – with a focus on several topics including mental health, menopause, baby loss and sleep. They survey also informed events in November when we marked 'Movember' and raised awareness around some men's health issues including male cancers.
 - Training plans are being developed jointly across the organisation between HR, Programmes and Organisational Development – to ensure needs are identified, training is developed and it is rolled out in different modes and styles to support learning – confidence and skills development

Moving forward

In October 2025, we will have reached the mid-point in our three year Corporate Plan and will be taking the opportunity to perform a critical analysis of its continued relevancy, our progress towards it, barriers, risks and issues to delivery.

We will undertake a further environmental analysis to support a look forward and will seek to undertake a robust assessment of priorities for delivery in the next period – to deliver what we have set out to, to embrace the change that is coming from external sources – and to be part of the planning and influence of how and when that lands to ensure the organisation is in the best possible place to deliver it.

The Business Plan 25/26 was published in May and seeks to further develop the progress made in 2024/25, developing the objectives – taking them into their next stage – working our way towards the second horizon of our Target Operating Model.

Principal Reporter
Neil Hunter

1.1.3 Business Plan

SCRA's 2024-27 Corporate Plan sets out the strategic direction for the organisation under four aims.

- **The Best Experience**
We will influence and implement policy and practice that enables us to work in a way that is compassionate, rights based and inclusive.
- **Clear Communications**
Our systems, properties and communications will be designed to ensure safe interaction, clear understanding and be accessible to everyone who uses them.
- **The Best service**
Children and young people will have the most effective and efficient route through the Hearings System. Our services will be fair, inclusive and informed.
- **People who Care, Connect, and Protect**
This will be delivered through our Workforce Plan – a trauma informed workforce who are valued, skilled, and motivated to deliver the best service for Children, Young People and families.

These aims are actioned through three annual Business Plans – the first being 2024/25.

Ten key objectives were identified to describe the work to take place over the first year of the Corporate Plan. Section 1.2 Performance Analysis takes a more detailed look at each.

The Business Plan is managed through an online project system with dynamic live reporting. The action are all tracked, updated and reported to comprise a quarterly report to the Executive Management Team and to the Board to show progress, describe issues and identify risks.

Each objective contains multiple actions that sit across a range of organisational strategies and plans with a robust programme framework for delivery in place.

1.1.4 Performance Summary

Progress has been seen against each of the objectives in the Business Plan and a range of evidence and examples have been provided in section 1.2 below. Further work sitting alongside, around and supporting the delivery of these takes place within the organisational strategies, and through our core operating environment with each locality delivering that service, working with partners and supporting the organisation in delivery of its objectives through nine locality plans.

SCRA is on an improvement journey along with the rest of the partners all working to deliver the care system in Scotland – and the Children’s Hearing System within that.

Programmes

In support of our ambition to improve the service and experience to children, young people and families – working within current resources and to current legislation, SCRA embarked on a plan to develop a Target Operating Model for the organisation – setting a vision for the future – at three different intervals, the first horizon by the end of 2024 – to stabilise the current process and working, a second horizon by 2027 to take on a programme of improvement within the current legislative context and then finally, a third horizon by 2030 – in line the Promise, to deliver the model and to implement the legislative change as set out by different Acts through Parliament.

Year one of the Corporate Plan 2024/27, the 2024/25 Business Plan, was predominantly focused on testing and analysis working towards the development of the Target Operating Model and delivery of the first horizon.

Two external assurance reviews were carried out by Portfolio, Programme and Project Assurance (PPPA) within Scottish Government. Both were Gate zeros and both provided a positive level of assurance and findings at Amber/Green giving a confidence in successful delivery mindful of these. Assurance can be provided that work has been completed over the course of the year to respond to these.

Across the Business Plan work has progressed as planned however in most cases, the work described is part of an ongoing delivery – for example within the programme work, year one has been focused on testing approaches, evaluating etc to inform decisions around further roll out.

Similarly work on change has very much been around setting the conditions, understanding organisational readiness, identifying gaps and training needs in preparation for implementation over the years to come.

Across the legislative landscape this has been around engagement, collaboration and influencing – as well as preparation and planning in readiness for the future.

Work within Digital and Organisational Development has been around user requirements, mapping, elaboration and stabilisation in preparation for development.

It should be noted that there is a great bank of evidence forming around the effective joint work that is taking place across the organisation – between research and programmes, Digital and OD, Data and Policy – supporting more coordinated planning and implementation as well as providing a more robust decision making framework for planning and a cohesive governance structure to ensure alignment.

The research team worked closely with the project teams to support data collection and analysis – qualitative and quantitative. This allowed the project to identify what was working, what wasn't working and what they looked at changing for further testing.

People

People in SCRA are our greatest asset and are the experts in their field – through drawing on that expertise and by working collaboratively across the organisation, we have been able to deliver rich responses to external consultations, co-designed processes and new ways of working – have been open to testing and trying new things, utilising new skills – more relational working, our people have been integral to improvements to the ways that we connect with children and families, through letters, calls and language – and as an organisation it has been critical to understand the skills, knowledge and development need to get us to the vision as set out for our people in the Target Operating Model.

A great achievement in the year has been the progress made in relation to trauma training, with all teams now trained in awareness and our approach and progress noted and commended by NES who we have been working closely with.

A key development that has taken place has been a full review of the Reporter Job Description. This describes the central role in the organisation and critical to the role going forward, was ensuring the job description was fully reflective of the role conducted – capturing the gravitas, the complexity and the breadth. This project was initiated, planned and successfully delivered in the year and was a great example of true engagement and consultation.

A second example of good, cross organisational collaboration is the consultation that took place across the summer of 2024 to respond to the Scottish Government's consultation on Hearings Re-Design, potentially the most transformational proposals to changes in the Hearings System in over 50 years. SCRA conducted surveys, webinars, face to face sessions, brought Scottish Government to us, went to Scottish Government partnership sessions, workshopped ideas and ensured every member of staff that wanted to, could be involved. The complication, analysis and refinement led to the full and rich response submitted to Scottish Government in October 2024.

Externally we continue to fully engage with Scottish Government and remain key productive and positive partners to our system peers as we collectively navigate the change ahead.

Plans are in place to take the objectives forward into next year in the published Business Plan 2025/26 looking towards delivery of the second horizon of the Target Operating Model, rolling out successfully tested models of improvement and preparing for the implementation of legislative change.

1.1.5 Key Issues and Risks

The key strategic risks tracked throughout 2024/25, and a summary of their mitigations (controls and actions), are below. CSAS is SCRA's core case management system.

Risk	Mitigations
IT Security measures are insufficient to prevent a successful cyber-attack on SCRA case information which results in loss of data which cannot be recovered	Cyber Essentials Plus certification for SCOTS network Annual penetration testing of CSAS Cyber review against Scottish Public Sector Cyber Resilience Framework v1.2 Data Protection review CSAS support and maintenance contract controls Disaster recovery procedures Membership of Cyber-security Information Sharing Partnership (CiSP) Annual review of cyber security policy
The optimum model for CSAS ownership and accountability and a joint future partnership between SCRA and Children's Hearings Scotland (CHS) is not adequately defined and agreed	Digital Change Advisory Board (DCAB) Legal ownership agreed Audit testing of key systems and recommendations Digital Delivery Plan Licensing and software agreements Change Configuration Board (CCB) Shared investment profile between SCRA and CHS
SCRA does not maintain a skilled, motivated and flexible workforce which can meet current demands and future needs	Workforce Planning and Resource Management Review Learning and Development Strategy and Review Agile working policy Agreed roles and responsibilities Focus on staff wellbeing in all plans People Strategy Alignment to SG Fair Work policy Digital Skills Survey and subsequent action plan Clear approach to change management
Significant policy, legislative and reform/transformation change agenda impacts on SCRA's ability to deliver core services or necessary change programmes	UNISON partnership framework SG dialogue and secondments to legislative programmes Membership of Hearings for Children Implementation Board Corporate and Business Plan priorities and budget Programme Board
Failure to progress Board approved Environmental plan and inability to accelerate plans to meet new targets	Annual Environmental reporting to Board and Scottish Government Sustainability review Strategic Sustainability Group Environmental Ambassadors Group Sustainability included in all locality plans and Business Plan Year-long environmental awareness campaign with monthly spotlights on different areas

Risk	Mitigations
Inability to engage with digital inhibits realisation of full potential of new technologies resulting in significant operational disruption	Virtual Hearings review People and Operational Plans DCAB and ongoing CSAS development Digital upskilling and confidence-building Operational Development team Digital Skills research formulating a digital skills strategy Locality Support Manager (LSM) Network
Inability to meet staff expectations on pay/reward resulting in operational disruption/staff engagement in change	Board approval of budget Partnership with UNISON Sponsor Team support Remuneration Committee Scottish Government Pay Policy guidance Learning and Development Plan/Wellbeing Strategy Communications Strategy
2024/25 Scottish Government budget does not deliver required level of revenue funding with impact on ability to deliver a quality service to children and families and at the same time respond effectively to new legislative and policy pressures and drive the transformation and reform agenda*	5 year financial plan Regular budget reports to Board Audit reviews of financial sustainability arrangements Regular officer and Board dialogue with Ministers and Scottish Government (Director of Children and Families, Sponsor Team, Finance Business Partner) Continue to demonstrate and evidence SCRA's relevance to ministerial policy outcome ambitions and core statutory duties
High levels of uncertainty about the Hearings System which impacts our ability to plan, prepare and deliver change to meet our future needs	Good partnership-working model with Scottish Government in the lead up to any legislative change EMT and Leadership cohort Internal resources to assess the impacts of legislative change including Policy and Public Affairs Manager and Practice team Target Operating Model People Strategy Workforce Planning Programme Management Framework Change Manager and Change Strategy Communications and Engagement Strategy Regular engagement with Locality Management Teams and Head Office Managers Redesign Board Operational Development Team and Digital Champions

* While the published 2024/25 Scottish Government budget did not meet SCRA's resourcing requirements, SCRA and Scottish Government collaborated to ensure required resources were in place during the year to delivery core services and prepare for policy and legislative change.

Details of the risk management arrangements are set out in the Governance Statement in section 2.3.

1.2. Performance Analysis

1.2.1 Business Plan 2024/25

The following section provides further detail of the agreed Objectives set in the Business Plan 2024/25 with a summarised update of progress against each. SCRA's Board received quarterly updates against the objectives, and an annual round up in June. Additionally, the Board receive an annual progress report against the measures set out in the Corporate Plan – providing assurance of progress supported by data and evidence.

The below analysis sets the ten objectives against the Strategic Aim to which they relate.

Aim 1 - The Best Experience

We will influence and implement policy and practice that enables us to work in a way that is compassionate, rights based and inclusive.

OBJECTIVE 1: Legislative Change and our Practice: We will fully prepare for changes to practice, policy and legislation through exploration, design, training and support and will seek to work with others through broader analysis and consultation.

Progress in year 1

The policy landscape for children and public services that work for children in Scotland has built up over many years, and continues to expand. The Children's Hearings System, and within it SCRA, forms a key part of this landscape, with focus moving this year towards collaborative improvement and legislative and other reforms across the Children's Hearings System.

Hearings Re-Design Consultation

SCRA has been fully engaged with the Scottish Government (SG) in the Hearings System Re-Design consultation process and submitted a formal organisational response after broad internal consultation with staff. SCRA's full response can be found on our website.

Ongoing joint work with SG throughout the year to analyse consultation findings and assess likely policy direction has continued and SCRA is actively exploring options for both internal adaptation and system-wide reform, based on anticipated legislative outcomes.

There has been continued collaboration with SG and partners through the Hearings Re-Design Board, and the Multi-agency planning group. From these, four priority projects have been approved and are planned to be undertaken over the course of 2025/26.

Children's Care and Justice(Scotland) Act 2024 (CCJA)

SCRA has been working closely with SG and partners in relation to CCJA, in preparation for the proposed changes that still require to be implemented and the necessary planning required to support these. With dates still not confirmed, and specifically those around raising the age of referral, it is challenging to fully prepare for implementation, however internally early-stage work has begun to prepare. A project team has now been stood up led by the Business and we are collaborating with our partners to support whole system preparation, continuing to consider how best to resource this change, and about the types of resource that may be needed. Front line

partners continue to need a significant investment in services designed for 16 and 17 year old children.

Bairns' Hoose

The Bairns' Hoose movement in Scotland has again seen significant progress this year. SCRA staff are involved in national discussions and local authority discussions and planning as part of the Pathfinder Pilot sites to develop new houses. We are also involved as members of affiliated sites, looking at new ways of working.

OBJECTIVE 2: Keeping the Promise together: We will test, evaluate and implement change to improve the Hearings System for people that are experiencing it now and use this to inform the transformational change of the future.

Progress in year 1

SCRA is committed to working with our partners and transforming the Children's Hearings System in line with the Independent Care Review and The Promise. Our work focuses on rights, participation, trauma-informed practice, and systemic redesign to better support children, young people and families and being the best Corporate Parent we can be.

A number of key internal pieces of work are set out below – these are specific projects that are being tested, evaluated and rolled out. There is further work underway with partners in pursuit of Keeping the Promise as well as the extensive programme of internal training – trauma as referenced at Objective 10 as well as a range of skills based training around e.g. neurodiversity, BSL, Fetal Alcohol Syndrome. This work has been promoted in external and internal communications and within our Keeping the Promise closure report published in February 2025.

Language that Cares

The Language that Cares Project, was a multi-agency, co-designed project aiming to change the language used in and around the Children's Hearing System to prevent misunderstanding, distress or re-traumatising children.

The language guide had its external launch with key partners including Our Hearings, Our Voice (OHOV), Children's Hearings Scotland (CHS) and SCRA. Our internal staff launch took place in June 2024 and has been followed up with team sessions to support embedding.

Child-friendly scheduling

This is an approach to scheduling hearings that involves liaising with children and trusted professionals in advance to ascertain preferences for day, date and mode of hearing:

- Five operational tests of child-friendly scheduling were completed and evaluated by the Project Manager and Research Team.
- A comprehensive evaluation report was produced with recommendations to refine the process taking lessons from the different test sites.
- A new defined process was approved for further operational testing before full rollout (planned for 2025-2027).

The project also tested increasing the use of pre-hearing visits and tools to support participation in hearings this involved pro-actively inviting children and young people to a Pre-Hearing visit. To support their preparation, children and young people were also sent their own 'scrapbook' designed for and by young people from Our Hearings, Our Voice.

Keeping The Promise commitment standards

This project focuses on speaking directly to families ahead of their hearing to ensure they are fully informed, supported and understand the process as well as making sure practical elements (for example, location of hearing centre, receipt of papers or travel expenses) are all taken care of. The objective is to promote better participation of parents and family members within Hearings by offering support to attend in a trauma informed way by recognising the central importance of relationships. Phase one has been evaluated and the project has delivered benefits to parents and families including addressing anxieties related to Hearings, providing practical support to overcome participation barriers and offering support and identifying children's support needs. When phase 2 is evaluated, the plan is to move towards a fuller rollout, based on a positive evaluation.

Article 12 - This project aligned us to the UNCRC Incorporation Act, ensuring that children could contribute their views at referral, making this a consistent, proportionate operational process.

Learning Leads - Working with partners to develop a learning programme about the children's hearings system and role of the Reporter. Materials are being finalised for completion and launch in August.

Early Engagement on Grounds - This project has been exploring relational working practices, rights-based approaches to establishing grounds and its impact on children and families. Further work will continue into 2025/2026.

We are making sure that everything we test is fully evaluated, so we know it is definitely making a difference. Our Research team are undertaking an in-depth piece of research where children, young people and their families can tell us if and where they have seen changes and improvements. We are using this evidence to make changes to what we are testing and to learn lessons and refine processes e.g. early evaluation of child-friendly scheduling directed us away from direct engagement with children and young people, instead making contact through a link person. Similarly, feedback from young people about the scrapbooks being too babyish and aimed at younger children supported us to work with older young people to design a magazine format to promote with older children to support their preparation and participation.

Keeping The Promise Programme Closure and Transition

- SCRA's Route Plan 2020-2024 for Keeping The Promise has now formally concluded with Projects either progressed to the next stage and are part of the target operating model programme, discontinued after evaluation, or were incorporated into Business as Usual.
- A closure paper was prepared and published [\[link\]](#).

SCRA's multi-layered work on Corporate parenting will continue across the organisation led by voice of experience and aligned with the target operating model.

Aim 2 - Clear communications

Our systems, properties and communications will be designed to ensure safe interaction, clear understanding and be accessible to everyone who uses them

OBJECTIVE 3: Communications: With children, young people and communication specialists, we will understand the types of communications that people need and the information, tools and language that supports this.

Progress in year 1

Work has been taking place throughout the year, using innovative and inclusive approaches to create new easy read letters for children, young people and their parents to make sure they can be easily understood. This was a collaborative piece of work between SCRA's Operational Development team, digital team and programme team, with expertise from all roles across the organisation, voice of experience and a speech/language therapist to ensure the new letters are accessible and inclusive.

OBJECTIVE 4: Digital Enablement: With children, young people and families, we will design services and ways of interacting to give more options and help enhance the Hearings experience for everyone. With our people, we will deploy improvements to enhance the internal operating systems.

Progress in year 1

Enhancing the Hearings Experience for Children, Young People and Families

- **Electronic Paper Sharing:**
 - A proof of concept (PoC) for sharing hearing papers electronically with children and families is built and ready for testing, but on hold pending risk assessment.
- **Digital Evidence Sharing Capability (DESC):**
 - Development is **approximately 75% complete** and **on target** for delivery this year. Further stages are planned for the next business cycle.
- **Child Concern Reports Integration (AI):**
 - Discovery phase completed; **alpha testing** is planned with a locality in the final quarter. Around **75% of the planned scope** has been delivered.

Improvements to the Case Management System

- **CSAS Enhancements (Case Management System):**
 - Chronology of Decisions and Reasons: Development is 60% complete, progressing into testing.
 - Caseload Transfer Tool: In development to support case movement management.
 - Equalities Data Updates: Aligning with 2022 census and improving recording methods.
 - Task Management Enhancements: Improvements to categorisation and usability.
 - SMS Capability: Development complete, now in testing; 75% of scope delivered.
- **Lean Waste Assessment:**
 - Completed, highlighting non-disclosure and court work as priority areas.
- **Redaction Improvements (AI – Folding Space):**
 - A smart redaction tool is in testing in Glasgow, though progress has been slowed by data hygiene issues. Around 60% of intended scope achieved.

- **SharePoint Strategy:**
 - Stage 1 implementation largely complete (90% of this year's scope), enabling better document indexing and court document management.
- **Calendar App:**
 - Rolled out nationally in November, improving Hearing scheduling and management. Project completed.

Overall

- A number of key digital developments completed within this business plan period.
- Several areas (e.g., electronic paper sharing, AI redaction, SMS, and DESC) are progressing well, with next stages planned for the upcoming business year.
- Work remains firmly aligned with improving both user experience and internal efficiency, with continued engagement from children, families, and staff.

OBJECTIVE 5: Data and Research: We will use data and research to evaluate, inform and influence to ensure that change and improvement has a firm base in evidence.

Progress in year 1

Policy Forecasting

For the Children (Care and Justice) (Scotland) Act (CCJA), data has been used to estimate, where possible, the impacts of the new legislation on the Hearing's system. This has been in the form of profiling the key areas of change, such as referral, Hearings and court to allow SCRA and the Scottish Government to provide the required resource for implementation. The profiles have been refreshed on an annual basis and this will again be done when the Official Statistics for 2024/25 have been compiled.

For Hearing's redesign, SCRA data has been heavily involved in providing analysis around what the different proposed changes will mean for ourselves and other stakeholders. It has also been used to help develop the financial memorandum including, for example, providing nuances around areas such as the number of cases which current require establishment at court purely due to the fact that the child is unable to understand the grounds. These specific pieces of analysis can help to refine a bill or act and provide confidence that proposals are based on the best available information.

Informed decision making

The Research Team has played a vital and ongoing role in supporting several major improvement initiatives, including Child Friendly Scheduling (CFS), Keeping The Promise (KTP) Commitment Standards, and the Referral Patterns and Planning Project.

As referenced in the examples above at objective 2 re CFS and KTP Standards, an improvement methodology is being followed with data capture, analysis and evaluation – and decisions are based on these findings. This is true across the programme approach albeit in different forms from case management data through to focus groups 'soft' data.

In terms of our internal programmes, the initial testing phase is complete and data have been collected and undergone interim analysis. Full data analysis and evaluation is due in 2025/26 within the second quarter to inform the direction taken to rollout. The data so far does not provide

evidence of overall improvement (and wasn't predicted to): rather, it provides evidence that a number of changes aimed at balancing each other – i.e. capacity for quality as per the vision of the programme – broadly do work together and that the service remains on track and is no worse having implemented the changes. A key driver is to provide a consistent service for the children and families that experience it and so being tested is a model (designed with staff and children and families and following recommendations from the research team after different variations were tested) that will likely be rolled out nationally once full evaluation is completed.

There are some areas within the programme that are more difficult to measure in concrete terms due to the number of variables (courts/families/complexity of case etc) however the aim for these is to deliver a best practice model as determined by a range of quality measures around timeliness/preparedness/and consistent service delivery. Where there is no evidence that one way is any better (or worse) than another, decisions will be made based on a drive for consistency in service which plays to a benefit for children and families.

OBJECTIVE 6: Our Environment: We will develop plans to tackle issues relating to Net Zero across eight key pillars.

Progress in year 1

We recognise that the way we deliver our services is contributing to Climate Change. Our priority will be to minimise our impact on the environment and allocate our property resources in the most sustainable way both in terms of Climate Change but also our Financial sustainability. Sustainability is a key priority for the organisation

The Strategic Sustainability Group met at the end of January and reviewed the key areas that have previously been identified for organisational action. The Group re-confirmed the eight priority areas for action by the organisation and these form part of our new Corporate and Business plans. These are:

- **Property Use** – Energy efficient offices and Hearing Centres.
- **Energy Consumption** – Smarter use of our resources.
- **Travel** – Active and sustainable journeys to work.
- **Waste Minimisation** – Reduce, reuse, recycle.
- **Sustainable Procurement** – Considering the environmental, social and economic impacts of what we buy.
- **Biodiversity** – Making the most of our environment.
- **Staff Awareness, Engagement and Behaviour Change** – Developing knowledge and skills.
- **Improving Data Capture & Analysis** – Helping to track progress, identifying areas for enhancement and where to direct our efforts and resources.

We have seen improvements across our estate through the work of our Property Strategy and our environmental ambassadors. For this coming year, each of our localities have developed actions as part of their annual Locality Plans to make further local improvements.

The Strategic Sustainability Group are in the process of focusing their planning and implementation of the 8 pillars to meet the ambitious targets set both by the Board and by legislation, to ensure that we deliver:

- 10% to 20% reduction in our greenhouse gas emissions (GHG) between 2022/23 levels within three years
- Zero waste to landfill by 2030
- Net zero GHG emissions by 2045

Aim 3 - The Best Service

Children and young people will have the most effective and efficient route through the Hearings System. Our services will be fair, inclusive and informed.

OBJECTIVE 7: Year one of the Business Plan will focus on our ‘first horizon’ of the development of our new operating model. This will mean delivery of the first set of approved projects, further discovery and exploration (internal), further exploration and consultation (Hearings For Children/External).

Progress in year 1

Target Operating Model (TOM) Development

The first horizon of our Target Operating Model has been approved and communicated to staff to make the vision of the future really clear, supported by a full communications pack including visual representations.

A second assurance review took place at the end of January 25. The review was to assess the state of readiness to proceed as a programme in the development of a Target Operating Model for the organisation – a second Gate Zero.

The outcome of the review was a very positive Amber/Green, with some recommendations to further strengthen the work, recognition of the progress made since the last review and feedback about observations of good practice including approach to learning lessons and training, the culture, energy and enthusiasm, and engagement of staff. None of the recommendations came as a surprise and are all areas we are already working on e.g. benefits management/development of portfolio management approach/further aligning the programme and digital work.

An action plan was developed and was sent back to the reviewers for their records – many of the actions are already underway or closed and progress is being overseen by the Programme Board.

Projects live in 2024/25

Combined Operational Test

Following isolated testing of various qualitative projects (as referenced under objective 2) as well as a number of ‘efficiency projects’, first combined operational test was launched - focusing on court processes and hearings scheduling. The test is designed to evaluate the combined impact of improvements across different parts of the system.

Data collection and analysis has been taking place to assess whether the benefits and hypotheses of the test are being met (as referenced at Objective 5 – Informed Decision Making) Findings will inform future testing or wider implementation decisions through discussions at our Strategic Programme Group.

The combined approach includes

- a consistent approach to scheduling and arranging hearings so that we are using the most appropriate roles at the right time in the process and streamlined consistent processes to make the overall process more efficient. This is intended to generate capacity for Reporters.
- Child friendly scheduling – as described at Objective 2
- An improved approach to court preparation by liaising with witnesses and undertaking witness statements proactively to enhance the quality of the approach to court work, more efficiently establish grounds in the interests of children and families and increase the confidence and skills of Reporters carrying out court work.
- Keeping the Promise Service Standards – also described at Objective 2

Referral Patterns and Practices

Aims to promote partnership working around referral practices to ensure proportionate timely referrals – the right referrals for the right children at the right time.

A report analysing referral patterns and practice across the country, developed with operational input, has been delivered. This report has informed the next stage of operational testing and two staff have been seconded to carry out enhanced models of working with partners who are our key referrers.

There is recognition that the delivery of the Target Operating Model runs through to 2030, and so each stage is being planned – the initial focus being on efficiency to enable quality improvement within how we deliver our service – the main focus in the year being on our processes. As the model evolves, the scope will broaden into other areas of the organisation.

OBJECTIVE 8: Trauma informed: We will train and support staff to be able to recognise the impact of trauma – in themselves, in colleagues and in the children, young people and families that we interact with and make critical decisions for.

Work progresses in SCRA in our ambition to become a trauma-informed organisation. We have worked with NHS Education Scotland (NES) to train a number of SCRA staff as trainers, and we have started rollout of comprehensive training for all SCRA staff, to a Trauma-Skilled level. After we have delivered this training we will discuss and consider next steps for our staff and develop them appropriately. SCRA has an annual psychological support process with our Occupational Health Provider, and offers all relevant staff the opportunity for further supports based on professional screening through a self-assessment process. This was launched in March 2024.

Feedback from NES was that we are one of the organisations leading the way with our approach being relatively far along in our journey. 17.5% of overall training last year was around trauma equating to 570 individual learning events.

Next Phase Planning

Planning is underway to expand the training offer, including:

- Trauma Enhanced training specifically for Reporter staff.
- Multi-agency and inter-professional training models to complement SCRA's efforts.
- Training delivery that is collaborative with external partners (health, social care, justice).
- Leadership development opportunities focused on trauma-responsive practice in complex decision-making environments.

OBJECTIVE 9: Development and Wellbeing: We will provide people with learning and development to support the change ahead – recognising that personal and team resilience is key to embedding and improvement in a positive and sustainable way.

Progress in year 1

Working alongside the Project teams, a change team is now in place in SCRA to support good, planned and managed, well communicated and supported change. The Change Team work with each locality to understand their current state, their readiness, how ‘close’ they are to the areas of project work and test – and thus what it would take to implement – and what supports they would need.

A change strategy has been approved and the Board has had sight of this, and a communication strategy is in place to support this. A business change manager is in place as the key contact for teams and is working closely with the project managers and the organisational development team in preparation of training, communications etc ahead of any roll outs.

Critical to successful change is ensuring that our people are skilled and confident – both in identifying and developing the change, and in working to it.

Critical to sustainable change is resilience – personal and organisational. A series of training events have taken place to support this delivering the first phase of resilience training to managers which focused on understanding resilience in leadership and looking at proactive strategies to develop personal resilience plans.

SCRA launched the revised Supervision Framework, which now incorporates the annual development review, personal development and wellbeing within the framework. Managers were offered information sessions on the revisions and HR Business Partners engaged with Localities on the process of recording supervision sessions and personal development plans.

OBJECTIVE 10: Inclusion and Diversity: Progress against our four organisational outcomes to support our Inclusion and Diversity work will be implemented through our EDI steering group action plan.

Progress in year 1

We continue to make significant progress in our commitment to inclusion, accessibility, and equality across the Scottish Children’s Reporter Administration (SCRA). Our work this year has focused on embedding inclusive practices, improving data collection, and strengthening staff networks and training.

Key activities to note:

- There are Visual Information Guides for 32 Hearing Centres and continue to promote the ReciteMe accessibility software on our website.
- Our Disability Network launched a BSL video dictionary in collaboration with the British Deaf Association and revamped the BSL section of our website. We also reintroduced sunflower lanyards to support individuals with hidden disabilities.
- The Neurodiversity Champions Network has grown to 44 members and has successfully reintroduced sensory takeaway kits, and Neurodiversity kits in all hearing rooms.

- We held our first anti-racism development session in February 2024, launching a three-year programme. We also launched our Black & Asian Workers Group pilot, which is expected to continue beyond its initial 6-month pilot term.
- We are working towards re-accreditation of the LGBT Youth Scotland Charter.
- Our Employee Information Statistics Report shows increased applications from men and individuals from ethnic minority and disabled backgrounds (linked to equality outcome 2).
- We continue to support a wide range of staff networks and groups, including the Voice of Experience Reference Group, which brings lived experience of care into our organisational learning.
- We set up quarterly meetings of our Inclusion Ambassadors and Locality EDI Leads networks to lead to better engagement and information sharing.
- Our gender pay gap has reduced by 2% (mean) and 2.21% (median) as of March 2024, this represents a year-on-year ongoing decrease in our gender pay gap over the past 7 years.

SCRA Equality Outcomes 2024-2027

Outcome 1: Equalities Data Monitoring

- Categories for equality data within CSAS have been established and aligned with the 2022 census categories.
- Development of a practical, user-friendly digital solution to capture this data is underway, in coordination with related CFS/KTP digital projects for a joined-up approach.
- Children will not be directly asked equality questions; instead, data will be gathered via partner agencies during referrals and interactions.

Outcome 2: Inclusive Recruitment

- A working group has been set up to revise recruitment webpages to attract a more diverse candidate pool.
- Consideration is being given to an external audit by Employers Network for Equality and Inclusion (enei) to improve recruitment marketing and advertising, pending EMT approval due to required investment.

Outcome 3: Anti-Racism and Black & Asian Workers Group

- The six-month pilot of the Black & Asian Workers Group, facilitated by an external consultant, launched in November 2024, is ongoing and gradually increasing membership.
- An evaluation report will be prepared as the pilot concludes, with plans to continue the group beyond the pilot.
- A well-attended event on Race & Racism was held in May 2025, delivered by Diversify World, focusing on bridging marginalised communities with professional environments.
- The anti-racism planning workshop series continues, with a focus on developing mandatory and elective training for staff.
- Mandatory race/racism training is scheduled for 2026-2027, following revised mandatory EDI training and Active Bystander training for managers in 2025.

Outcome 4: Socio-Economic Disadvantage

- The Fairer Scotland Group is working on a short-term action plan for 2024-2025, with development sessions planned for early and spring 2025 to expand this plan in line with the three-year mainstreaming cycle.

1.2.2 Financial Performance

In March 2024, following assurance from Scottish Government (SG) on available funding, SCRA's Board approved a revenue budget of £32.85m and a capital budget of £2.9m. As a result of in-year savings (below), the final budgets allocated to SCRA by SG was £30.572m revenue and £3.188m capital, with £0.288m of that capital being non-cash budget in respect of new and extended leases. Of these revised budgets, SCRA drew down £30.344m resource funding and £2.9m capital.

The following section provides a summary of our financial performance for the year against our annual operating budget. Total operating expenditure for the year was £1.74m (5.4%) less than original budget, with this underspend principally arising from staff vacancies and a provision for costs of implementation of Children (Care and Justice) Act that was not used.

Expense Head	Budget 2024/25 £000	Outturn 2024/25 £000	Variance £000
Staff Costs	26,709	24,655	(2,054)
Property Costs	2,392	2,457	65
Travel Costs	175	203	28
Other Operating Charges	2,964	3,148	184
Capital Financing	160	159	(1)
Other Income	(282)	(244)	38
Total expenditure	32,118	30,378	(1,740)
Revenue Grant In Aid	(32,850)	(30,344)	2,506
Net Expenditure	(732)	34	766

The operating budget and outturn above do not include the annual pension adjustments shown in note 11 of the financial statements, and do not include payments in respect of unfunded pensions.

Property and Digital Programme capital spend in the period to March 2025 was £2.69m, summarised below:

Capital Investments	Cost £000
Aberdeen improvements	205
Dalkeith improvements	21
Dundee improvements	35
Edinburgh improvements	27
Glenrothes improvements	330
Glasgow improvements	156
Greenock improvements	112
Hearing Room Improvement Programme	37
Inverness improvements	38
Other property enhancements	46
Audio Visual Hearing Rooms	419
CSAS Development	1,062
Device refresh	142
Wi-fi rollout	28
Other ICT	28
Total	2,686

A significant and wide-ranging programme of property and digital developments was delivered in 2024/25. A major property project in Glasgow has started, concluding in 2025, launching our revised hearing centre design standards following extensive consultation with all those who use our premises. Other offices continue to be refurbished in line with our commitment to smart working. The Digital programme delivered further enhancements to the core operating system (CSAS), and improvements to hearing room audio visual technology which has been very well-received by those attending hearings.

More detail regarding SCRA's income and expenditure can be found in the financial statements section of this report. The Statement of Comprehensive Net Expenditure shows net expenditure for the year of £34.1m (2023/24: £31.7m). This includes non-cash depreciation and amortisation costs of £3.2m (2023/24: £2.7m) and non-cash pension scheme finance costs of -£0.2m (2023/24: -£0.005m). These non-cash items are excluded from the table above.

The Statement of Financial Position shows that SCRA's assets exceed its liabilities by £9.4m (2023/24: £16.6m). This movement is principally due to a £6.4m decrease in the pension reserve, deriving from a restriction on the extent to which the current pension fund surplus, as valued by SCRA's actuaries, may be recognised within financial statements. For many years until 2022, the pension reserve was in a substantial deficit position, contributing to an overall position of net liabilities, and the volatility of pension asset and liability valuations means that SCRA may return to a net liability position in future. As a result, the Scottish Government has provided assurances to the SCRA Board that there is a statutory obligation to provide the services that SCRA delivers, and there are no plans to change the existing arrangement whereby pension contributions are paid from future Government grants. It has accordingly been considered appropriate to continue to prepare these financial statements on a going concern basis.

1.2.3 Key Performance Indicators

This section provides detail around SCRA's achievements in the year in terms of its key performance indicators and the operational context in which these have been achieved.

Summary of Key Performance Indicators

Performance Measures

SCRA has nine key performance indicators which are reported to the Board on a quarterly basis. During the pandemic, targets were not applied to the operational indicators (a) decisions within 50 working days and (b) Hearings within 20 working days. These were re-introduced in 2023/24. The annual outcomes are summarised below.

Performance measures	Target	Outcome	Prior Year
a) The percentage of decisions on referrals made within 50 working days of receipt	74%	72%	70%
b) The percentage of referrals over 100 working days	4.1%	3.4%	5.1%
c) The percentage of Hearings scheduled to take place within 20 working days	74%	70%	66%
d) The percentage of working days lost to short term absence	2%	1.9%	1.5%
e) The percentage of working days lost to long term absence	2%	3.9%	3.4%
f) Variance in annual revenue spends as a percentage of the available revenue budget	1%	5.4%	4.5%
g) Percentage of revenue savings achieved in the year	2.5%	9.7%	8.6%
h) Variance in annual capital spends as a percentage of the available capital budget	5%	6.1%	6.9%
i) The Scottish Government efficiency savings target will be met	0.5%	Met	Met

Key: - Green: Target met or exceeded; Amber: Target missed narrowly; Red: Target missed

(a) Decision making by Reporters within 50 working days was up 2.0 percentage points (pp) against the prior year. It was slightly below the 74% target and is rated as amber.

(b) On average, 3.4% of referrals were open beyond 100 working days in the year. This was below the 4.1% target and is rated as green.

(c) Hearing scheduling was up 3.7 pp in the year to 70%. The performance in 2024/25 continues the improvement seen in prior years. Performance was though below the 74% target and is rated as amber.

(d) Short term absence at 1.9% was within the 2% target and was 0.4pp higher than the prior year. Short term absence meeting the target will be in part staff having more flexibility about where they work from even when they are feeling unwell, but not unwell enough to be absent from work. But this reduction may also be a result of the various health and wellbeing supports

that SCRA has in place, such as Employee Assistance Programme, vicarious trauma support, menopause support etc.

(e) Long term absence at 3.9% was up 0.5pp from the prior year and still well above the 2% target. We recognise that long term absence remains a challenge in terms of available resources. We work closely with managers pre, during and post long term absence to ensure that the most appropriate supports are in place to sustain the employee at work. We have trained a number of mental health first aiders and our Mental Wealth Group is particularly active across the organisation in terms of signposting supports, health and wellbeing tools and initiatives and local health and wellbeing groups are responding to Locality needs. Appropriate management of our long term cases is in place, including occupational health advice and guidance, employee assistance counselling provision, and potential ill-health retirements.

(f&g) Revenue savings mainly arose from staffing underspends arising from vacancies and the timing of recruitment to additional posts in advance of Children (Care and Justice) Act implementation.

(h) Capital savings arose primarily due to the decision to treat the Glasgow refurbishment as a two-year project, resulting in a significant reduction of spend within 2024/25.

There are two quality measures around property. SCRA's Hearing centres are our main public facing facilities and these are the main focus of our attention. The first quality measure therefore considers the operational suitability of our Hearing centres. Alongside this, there is a quality measure now included to measure the efficiency of how we use property and the cost effectiveness of our estate.

Quality Measures - 2024/25

1 Percentage of Hearing centres that comply with our requirements 69.7% (69.7% in 2023/24)

2 The average percentage quality score achieved across the estate 91.3% (91.1% in 2023/24)

1.2.4 Operational Performance and Strategy

The below provides the operational context and management information,

Children referred

In 2024/25, 7,839 children were referred on non-offence grounds. This is down 4.4% from the previous year. The number of children referred on offence grounds in the year, at 2,447, was down 9.4%.

There are certain types of referrals that indicate greater or immediate concern about the child's safety. These include Child Protection Orders (CPOs). At 503, 25 more children had CPOs (5.2%) granted in the year.

Reporter Decisions

When making a final decision in relation to a referral, the Reporter will select the ground which reflects the principal concern(s) about the child. These grounds are set out in section 67(2) of the Children's Hearings (Scotland) Act 2011, and are summarised below.

Section 67 ground

(a)	Lack of parental care
(b)	Victim of a Schedule 1 offence
(c)	Close connection with a Schedule 1 offender
(d)	Same household as a child victim of Schedule 1 offender
(e)	Exposure to persons whose conduct likely to be harmful to child
(f)	Close connection with a person who has carried out domestic abuse
(g)	Close connection with Sexual Offences Act offender - Parts 1, 4 & 5
(h)	Accommodated and special measures needed
(i)	Permanence order and special measures needed
(j)	Offence
(k)	Misuse of alcohol
(l)	Misuse of a drug
(m)	Child's conduct harmful to self or others
(n)	Beyond control of a relevant person
(o)	Failure to attend school without reasonable excuse
(p)	Pressure to enter into civil partnership (or same household as such a child)
(q)	Force to marry (or same household as such a child)

For ease of reference, referrals on (j) Offence grounds are classed as offence referrals with the others being classed as non-offence.

Reporters investigate where necessary, when a referral is received, to assist them in considering the likely need for compulsory measures. They do so by obtaining information on the child and their circumstances from relevant agencies. Some of this information may now be provided at the point of referral rather than requiring to be requested. In the year, 25.2% of children with a referral decided, had a decision to arrange a Hearing. This was a 3.1pp increase on the prior year.

Pre-Hearing Panels and Hearings

Pre-Hearing Panels (PHPs) are convened before some Children's Hearings to consider any special arrangements needed for the Children's Hearing. These are:

- whether to deem/und deem an individual as a relevant person;
- whether to excuse a child or relevant person from the obligation to attend the Children's Hearing;
- whether an individual has participation rights; and
- whether an individual should be allowed to attend only by electronic means.

PHPs increased by 4.3% to 1,843 against 1,767 last year, an increase of 76.

Children's Hearings decide whether compulsory measures of intervention are necessary (in respect of the child) to protect the child and/or address their behaviour. Hearings decreased by 1.4% to 21,313 against 21,613 in the prior year, a decrease of 300. Primarily this is due to the continued decreases in children with Compulsory Supervision Orders and the review Hearings associated with them.

Applications to the Sheriff for proof

If the child and/or their relevant persons do not accept some or all of the statement of grounds for referral which form the basis of the Children's Hearing, or the child does not or cannot understand the grounds, the Children's Hearing may direct the Reporter to apply to the Sheriff to establish the statement of grounds for referral (sections 93 and 94 of the Children's Hearings (Scotland) Act 2011). Overall, 1,925 applications were determined in 2024/25 and 91.1% were held to be established by the Sheriff. This was 76 fewer applications determined in the year (3.8%).

Compulsory measures of supervision

Compulsory Supervision Orders (CSOs) are the most common form of compulsory intervention made by Children's Hearings. They are also the only longer-term option available to Children's Hearings. It is the statutory responsibility of local authorities to implement CSOs. At the year-end, 6,355 children were subject to CSOs. This is 135 fewer than the prior year-end, a decrease of 2.1%.

Appeals

Children and/or their relevant persons can appeal to the Sheriff against decisions made by Children's Hearings and Pre-Hearing Panels. In 2024/25, 250 children had 296 appeals concluded, a 10.6% decrease from the prior year. A child may have multiple appeals within the year. Of the 296 appeals concluded, 31% found the Hearing's decision justified, 2% found the Hearing's decision justified but a change of circumstances was applied, 51% found the Hearing's decision not justified and in 16% of cases, the appeal was abandoned.

Consultation with employees

SCRA is committed to involving staff throughout the organisation in its decision-making process, working in partnership with staff, and has a partnership agreement with UNISON as the recognised Trade Union. Working in partnership mainstreams consultation and engagement with staff in all aspects of SCRA's working environment through employment issues to service delivery issues.

There is an embedded structure of consultation and engagement through the National Partnership Forum which has a number of sub groups like the HR Sub Group, Health/Wellbeing and Staff Survey Group, Equalities Network and more standalone networks such as the Joint Negotiating and Consultation Committee, Health and Safety Committee, Participation Group, etc. Partnership working is strong across SCRA and is the root of our organisation development, consultation and collective bargaining processes. UNISON are our recognised Trade Union and work hard to ensure that partnership working is successful in SCRA. As an organisation we would encourage staff to join the SCRA UNISON branch so that they can feel the benefits and have a voice in a strong partnership relationship.

As part of the Partnership Agreement with UNISON, SCRA has an established Recognition and Procedure Agreement, which governs the negotiations of pay and national conditions of service

for all staff. It formally acknowledges the importance of establishing and maintaining confidence in the negotiating arrangements.

The national partnership forum held 2 development days and held face to face meetings throughout the year to maintain strong partnership working and to ensure our UNISON colleagues were engaged in all aspects of the programme and change work.

Payment Performance

In line with Scottish Government guidance, SCRA's policy is to pay all sums due to suppliers, that are not in dispute, within the lesser of 10 working days and the agreed contractual terms. During the year ended 31 March 2025, SCRA paid 86% (31 March 2024: 86%) of sums due to suppliers within the terms of its payment policy.

Anti-bribery

SCRA's Executive Management Team and Board have taken steps to ensure SCRA has policies in place to guard against corruption and bribery, including SCRA's procurement policy, financial regulations and Fraud and Corruption policy.

Environmental Performance and Sustainability Reporting

SCRA's Board and Chief Executive/Principal Reporter have overall responsibility for ensuring that the organisation meets its climate change duties. Implementation of the actions necessary is overseen by the Executive Management Team. SCRA's Board reviews the organisation's performance annually and oversees its key organisational strategies and priorities. SCRA's approach and progress in relation to climate change and sustainability is reported through SCRA's annual report and accounts. In addition an annual environmental report is prepared and submitted to the Board detailing the progress made over the previous year and updated greenhouse gas (GHG) emission figures.

SCRA's Corporate Plan recognises the impact of climate change and the need for our services to be delivered in the most sustainable way. Key organisational strategies, such as the Finance, Property and Procurement strategies reference climate change and the steps being taken to reduce emissions.

SCRA's 2024-27 Corporate Plan sets out that systems, properties and communications will be designed to ensure safe interaction, clear understanding and be accessible to everyone who uses them. This will be achieved through providing technology that meets and supports the demands of a changing system and through the organisation working in ways that are kind to the environment, demonstrating tangible improvements to support Net Zero. A target operating model is being developed to produce a service delivery model that is sustainable.

As a part of local planning, local Environmental Ambassadors champion climate change awareness, biodiversity and local GHG mitigation initiatives.

Two groups within SCRA are tasked with developing the organisation's strategic approach to implementing its climate change duties and to promote greater awareness and engagement

within local offices. The Strategic Sustainability Group is led by SCRA's CEO and includes representatives from Head Office and Senior Operational Managers. The Environmental Ambassadors Group is led by a Senior Operational Manager and includes representatives from the network of locality offices. The Environmental Ambassadors group is made up of volunteers from teams across SCRA: their role is to promote SCRA's climate change ambitions, support their colleagues and embed climate change awareness within locality teams. Environmental Ambassadors are fully supported by the Strategic Sustainability Group. Two further groups within the organisation have climate change and environmental factors included within their remit. The Health & Wellbeing Group promotes biodiversity, staff awareness of climate change and encouraging positive actions to mitigate environmental impact. The Business Continuity Group considers adaptation measures as a part of wider Business Continuity planning along with mitigating the risks that affect SCRA's ability to provide its services.

Climate change and sustainability forms part of SCRA's staff induction process to ensure that new employees are aware of their climate change duties and the need to mitigate the impact of services on the environment. Promoting and encouraging positive behavioural change in the staff group continues to be developed through the Human Resources Team and the Health & Wellbeing group. This is reflected in SCRA's Agile Working Policy and Travel Policy for business travel. The Agile Working policy, supported by greater use of mobile technology, introduces the ability to work more flexibly in different locations including from home, reducing the amount of office space required and reducing travel emissions from commuting. The Travel policy also discourages staff from unnecessary travel for work purposes, and actively encourages the use of public transport or video-conferencing (by Microsoft Teams) as alternatives where possible. Where longer car journeys are necessary, our policy promotes the use of hired hybrid vehicles where practical.

Wherever possible we use Scottish Government centrally-negotiated collaborative contracts and frameworks when purchasing goods and services to maximise the environmental benefits that can be leveraged through larger contracts.

Our Climate Change report for 2023/24 was submitted to Scottish Government at the end of November 2024. (Emissions data for 2024/25 are not yet available.) Our reported direct and indirect GHG emissions total 577.6 tonnes of carbon dioxide equivalent (tCO₂e) as detailed below. These metrics are some of those used by SCRA to assess climate-related issues in line with its strategy and risk management process.

Emission Source & Scope		2023/24			2022/23	
		<u>Unit</u>	<u>C</u>		<u>C</u>	<u>E</u>
Heating – Natural Gas	1	kWh	1,287,540	↑	235.5	1,270,313
Heating – Oil	1	litres	2,501	↓	6.3	3,800
Electricity (generation)	2	kWh	685,926	↓	142.0	797,318
Electricity (transmission losses)	3	kWh	685,926	↓	12.3	797,318
Business Travel – miles	3	miles	139,759	↑	37.5	101,029
Water – Supply	3	m3	2,083	↓	0.2	2,898
Water – Treatment	3	m3	2,083	↓	0.4	2,898
Waste – mixed recycling	3	tonnes	13	↓	0.3	18
Waste – paper recycling	3	tonnes	31	↑	0.7	28
Waste – Landfill	3	tonnes	10	↑	5.1	10
Waste – Combustion	3	tonnes	22	↑	0.5	19
Refrigerants*	3	kilograms	3	–	4.9	n/a
Waste – WEEE recycled*	3	tonnes	2	↓	0.0	2
Homeworking	3	FTE working hours	395,095	↓	131.9	392,456
Total (tCO2e)			577.6			578.2

C – Consumption in units (↑/↓)

E – Emissions (tCO2e) calculated from consumption using emissions factor provided

* Revised Boundary (see below)

As part of SCRA's climate change duties, the Board approved a 3 year target in 2024 for reducing SCRA's overall reported emissions by between 10% and 20%. In addition, the following corporate targets were included within the climate change return submitted for 2023/24:

- Net zero direct emissions from SCRA's estate by 2038
- Zero waste sent to landfill by 2030
- Become a net zero organisation by 2045

GHG emissions are recorded under three categories or "scopes" relating to direct and indirect emissions:

- Scope 1 emissions are those made **directly**, through the burning of fuels to heat business premises or are from fleet vehicles (not applicable for SCRA).
- Scope 2 emissions are those made **indirectly**, for example the electricity consumed in business premises that has been produced for the organisation.
- Scope 3 emissions are any **indirect** emissions associated with the organisation's business activity eg business travel, employee commuting, manufacturing of the goods and products used and customer activity that occurs as a result of SCRA's services.

SCRA has set its Climate Change reporting boundaries as Scope 1, 2 and parts of 3.

SCRA's climate change report for 2023/24 shows a very slight decrease in emissions from 2022/23. This figure includes activities that have recently been added to SCRA's reporting boundary and if calculated on same basis as last year would be closer to 572.6 tCO₂e i.e. a 1% reduction. SCRA's data for climate change reporting (particularly scope 3 emissions) is not complete and the organisation's actual carbon footprint will be much higher. Improving data capture and analysis is one of SCRA's eight priority areas announced in 2024, alongside property use, energy consumption, travel, waste minimisation, sustainable procurement, biodiversity and staff awareness, engagement and behaviour change.

While property is currently the largest source of SCRA's GHG emissions, scope 3 activities are estimated by Deloitte to account for more than 70% of an organisation's actual emissions¹. For public sector reporting, an increasing emphasis is being placed on measuring, managing and reducing Scope 3 emissions.

Scope 3 emissions can be influenced by a number of the priority areas set out above. In particular, procurement of goods/services, commuting/business travel, behaviours and organisational culture are areas where the work of the Strategic Sustainability group and the Environmental Ambassadors will contribute towards raising awareness and influencing changes that can help to reduce GHG emissions.

Climate-related risks are identified, assessed and managed using the same processes and controls as SCRA's other risks, detailed in section 2.3 below.

¹ <https://www2.deloitte.com/uk/en/focus/climate-change/zero-in-on-scope-1-2-and-3-emissions.html>

1.2.5 2025/26 Planning

The Business Plan objectives for 2025/26 clearly set out how all parts of the organisation will contribute to delivery of our Corporate Plan aims and our contribution to greater improvement in the Hearings System.

The business plan will be delivered through our programme management framework and reported on through related governance structures which, in themselves, are reviewed regularly.

Work will continue with the Scottish Government and our Partners as we take forward the transformational change in the wider system – whilst improving what we can in our current – and of course, ensuring that the operational delivery of our critical service continues steadily, absorbing and positively responding to change as it is implemented to ensure the best service possible for the children and families that come into the system.

Neil Hunter
Accountable Officer

2. Accountability Report

2.1 Director's Report

The table below shows the date of appointment for Board members in 2024/25.

Board Member	Appointment Date
Michelle Miller (Chair)	01 May 18 – 30 Apr 24
Cathie Cowan (Chair)	17 Jun 24
Kay Barton	01 Nov 21
Lynne Clow	01 Oct 24
James Edgar	01 Oct 17 – 15 Oct 25
Lorraine Moore	01 Nov 21
Steve Renwick	17 Jun 24
Hazel Smith	01 Dec 22
Martin Toye	01 Jun 16 – 31 May 24
Suzanne Vestri	01 Oct 16 – 30 Sep 24
Ying Zhang	01 Dec 22

All current Board members have fixed term contracts and, of the above, eight are female and three are male.

The Board members have been appointed by the Scottish Ministers. They are appointed on the basis of having knowledge or experience relevant to the general purpose of SCRA or to the functions of the Principal Reporter/Chief Executive.

The table below shows the date of appointment for Executive Management Team members in 2024/25.

EMT Member	Job Title	Appointment Date
Neil Hunter	Principal Reporter/Chief Executive	04 Apr 11
Lisa Bennett	Head of Strategy and Organisational Development	14 Sep 15
Douglas Cameron	Head of Digital Delivery	13 Dec 23
Susan Deery	Head of Human Resources	01 Oct 14
Helen Etchells	Senior Operational Manager	12 Aug 19
Alistair Hogg	Head of Practice and Policy	01 Jun 19
Ross Mackenzie*	Acting Head of Finance and Resources	01 Apr 24
Paul Mulvanny	Senior Operational Manager	12 Aug 19

* Ross Mackenzie was appointed permanent Head of Finance and Resources, effective 01 April 2025.

All EMT members have permanent UK contracts and, of the above, three are female and five are male. The Principal Reporter/Chief Executive has specific responsibility for the discharge of Reporters' statutory functions.

2.1.1 Audit

The Public Finance and Accountability (Scotland) Act 2000 places personal responsibility on the Auditor General for Scotland to decide who is to undertake the audit of each central government body in Scotland. For the financial years 2022/23 to 2026/27 the Auditor General has appointed Audit Scotland to undertake the audit of SCRA. The general duties of the auditors of central government bodies, including their statutory duties, are set out in the Code of Audit Practice issued by Audit Scotland and approved by the Auditor General.

2.1.2 Register of Interests

A Register of Interests for Board members and senior staff is maintained by SCRA and may be accessed by contacting the Governance Officer at Ochil House, Springkerse Business Park, Stirling, FK7 7XE, or on SCRA's website, <https://www.scra.gov.uk/about-scra/our-board/> and <https://www.scra.gov.uk/about-scra/senior-management/>.

2.1.3 Report of personal data incidents

SCRA reports all reportable breaches to the Information Commissioner's Office (ICO) in compliance with data protection legislation. A risk assessment is completed for each data breach to determine whether it is likely to result in a risk for the rights and freedoms of any individual. There was a total of three breaches reported to the ICO in 2024/25. The ICO has not taken any formal action against SCRA in relation to any of the reported breaches, but has made some recommendations for improvement, which we have accepted and implemented where appropriate.

2.1.4 Non-Disclosure Orders

A Non-Disclosure Order is a special provision attached to a child's case in instances when it is considered necessary to protect the whereabouts of a child, or person(s) with whom the child is residing, due to significant concerns about their safety.

There was a total of 28 incidents in 2024/25 where Non-Disclosure Orders/Rule 16 were breached. SCRA was responsible for 21 Non-Disclosure/Rule 16 breaches, and two of these were reported to the ICO. In comparison, there was a total of 26 Non-Disclosure/Rule 16 breaches in 2023/24, of which SCRA was responsible for 12.

2.1.5 Case Information

SCRA holds information on children and their families, who are involved in the Children's Hearings System. Much of this information is special category data as defined by the UK General Data Protection Regulation (GDPR) and by the Data Protection Act 2018. The three breaches that were reported to the ICO are summarised below:

- For a Non-Disclosure case, the forename of the prospective adoptive parent was not redacted on the Order. Plus, their forename and surname were not redacted on the Record of Proceedings. These documents were contained within the Hearing Papers, which were sent to the child's birth parents.

- For a Rule 16 case, a mother requested that her address be withheld from her former partner. A form containing the mother's address, which ought to have been redacted, formed part of the Hearing Papers that were issued to her former partner.
- A cover sheet containing a Panel Member's name and address was accidentally added to a mother's Hearing Papers.

SCRA continues to monitor breaches of personal data as part of its activities to improve information security and data protection compliance. Each locality has an Information Governance (IG) Lead and the IG Leads Group meets regularly to monitor activity, including lessons learnt from breaches. The lessons learned from the breaches are posted on Connect monthly for staff to read. All staff have been trained on GDPR; they are also required to do annual GDPR refresher training. The Board's Audit and Assurance Committee receives six-monthly reports on Information Governance.

2.2 Statement of Accountable Officer's Responsibilities

Under Schedule 3 of the Children's Hearing Scotland Act (2011), the Scottish Parliament has directed the SCRA to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of SCRA and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accountable Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by the Scottish Parliament, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual (FReM) have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on a going concern basis

Under section 15 of the Public Finance and Accountability (Scotland) Act 2000, the Accountable Officer of the Scottish Government Directorate with responsibility for sponsorship of SCRA designated the Principal Reporter/Chief Executive of SCRA as the Accountable Officer for the Administration. The Head of Finance and Resources is designated as Depute Accountable Officer. The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding the Administration's assets, are set out in the Scottish Public Finance Manual (SPFM).

As Accountable Officer, I confirm that:

- As far as I am aware, there is no relevant audit information of which the auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.
- The annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

2.3 Governance Statement

2.3.1 Scope of responsibility

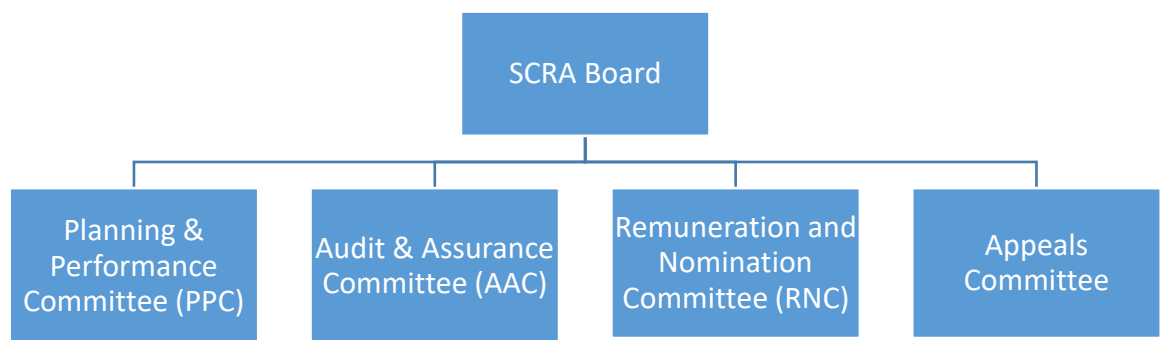
As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of SCRA’s policies, aims and objectives, as set by Scottish Ministers, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in the Memorandum to Accountable Officers for Other Public Bodies.

2.3.2 Governance framework

SCRA’s governance framework accords with generally accepted best practice principles and guidance from Scottish Ministers in the SPFM and has been in place for the year ended 31 March 2025 and up to the date of the approval of the financial statements. The SPFM provides guidance to the Scottish Government, and other relevant bodies, on the proper handling of public funds. It is designed to ensure compliance with statutory and parliamentary requirements, promote value for money, high standards of propriety, effective accountability and robust systems of internal control.

2.3.3 Board and committee structure

The Board Committee structure encompasses an Audit and Assurance Committee (formerly named Audit and Risk Committee), a Remuneration and Nomination Committee (formerly known as Remuneration and Succession Planning Committee), a Planning and Performance Committee (implemented in February 2025) and an Appeals Committee. The Committees report into the Board, on a routine basis, on the business conducted at their meetings.



2.3.4 Operation of the board

SCRA's Board comprises the Chair and seven non-executive members. The Principal Reporter/Chief Executive attends ex-officio. Members of the Board are appointed by Ministers and the normal term of office for a non-Executive member is four years. Board members may serve for a maximum of eight years. The Board has responsibility for ensuring that SCRA fulfils the aims and objectives set by Scottish Ministers.

The role of the Board is to:

- Establish the overall strategic direction within the policy and resources framework agreed with the Scottish Government;
- Ensure that the organisation meets its objectives;
- Demonstrate high standards of corporate governance at all times;
- Ensure that any statutory or administrative requirements for the use of public funds are complied with.

The Board met five times during 2024/25 (June 2024, September 2024, December 2024, January 2025, March 2025) on regular business. Two Board Development days were held in April 2024 and November 2024.

The Board regularly review the organisation's key policies which include the Human Resources Policies, Health & Safety Policies, Information Security Policies, Data Protection Policies, Risk Management Policy, Fraud Policy, Location Policy (part of Property Strategy), Procurement Policy, Media Handling Policy, Environmental Policy and Complaints Policy.

2.3.5 Board programme of business

Standing Items	Specific Items for 2024/25
<ul style="list-style-type: none"> • Committee Minutes • Chief Executive's Report • Budget Monitoring • Organisational Performance • New Risks 	<ul style="list-style-type: none"> • Programme Board Updates • Staff Survey 2024 • Draft Corporate Plan 2024/27 • Draft Budget 2025/26 • Draft Business Plan 2025/26 • Review of risk policy • Digital Strategy • SCRA Framework Document • Climate Change Works • Agile Policy • Staff Absence Update
Annual	
<ul style="list-style-type: none"> • Budget • Annual Accounts and Management Representation Letter • Annual Report • Corporate and Business Plans • Locality Performance Review • Complaints • Environmental Report • Property Strategy • Financial Strategy • Committee Annual Reports • Health & Safety • Workforce Planning Report • Overview of Policies • Research Programme • Inclusion and Diversity Annual Report • Annual Procurement Report • Board and Committee Standing Orders and Terms of Reference Review • Influencing Report • Programme Board Updates 	
Bi-annual	
<ul style="list-style-type: none"> • Strategic and Operational Risk Registers 	

2.3.6 Board Development Meetings

Business conducted at the Board Development Days (April and November 2024) included:

- SCRA's future (Target) Operating Model
- Board Effectiveness Internal Audit Action Plan
- Locality Update – South East
- SCRA's approach to Risk Management
- Public Sector Finance
- Hearings Redesign – governance and structure
- Board governance – learning plan, objectives, committee membership, recruitment, Internal Audit Governance Review

2.3.7 Audit and Assurance Committee

The Audit and Assurance Committee comprises the Chair, Vice Chair and two non-executive members. The Principal Reporter/Chief Executive attends ex-officio. It meets quarterly and reviews the adequacy of the arrangements for ensuring sound internal control and in particular scrutinises all audit reports and the actions taken by managers in response to audit recommendations. The Audit and Assurance Committee carries out an annual self-assessment and reports annually on its activities to the Board.

Standing Items		Other Business Items	
Information Governance <ul style="list-style-type: none">• Data Protection and Information Governance Six-monthly Report		Annually <ul style="list-style-type: none">• Report to the Board on the Audit and Assurance Committee's business• Meeting with Internal/External Auditors• Fraud Report• External Audit Report to those charged with Governance on the Audit Management Representation Letter• Internal Audit Annual Report• Annual Accounts, Governance Statement, Accounting Policies• Internal and External Audit Plans• Quality Assurance Programme• Joint Inspection of Children's Services – Overview• ARC self-evaluation• Internal Audit Recommendations Follow-up• Risk Management Policy review	
Quality Assurance and Performance <ul style="list-style-type: none">• Case Sampling Reports			
External Audit <ul style="list-style-type: none">• Update on Topical/Regulatory Issues			
Internal Audit <ul style="list-style-type: none">• Reports on fieldwork• Annual Plan Progress			
Risk Management <ul style="list-style-type: none">• New Risks		Bi-annual <ul style="list-style-type: none">• Review of Strategic and Operational Risk Registers• Pensions Update	

2.3.8 Remuneration and Nominations Committee

The Remuneration and Nominations Committee comprises the Chair, Vice Chair and two non-executive members. It is responsible for governance of the pay and remuneration policy for the organisation and the approval of Principal Reporter/Chief Executive appraisal and pay. It also monitors progress on the organisation's succession planning arrangements.

Business dealt with during 2024/25 (meeting held December 2024):

- Pay Award Development 2025/26
- Pay Award Proposal and Performance Appraisal PR/CE
- Committee Remit

2.3.9 Appeals Committee

The Appeals Committee comprises a Chair and two non-executive members and meets as required. Its remit is to:

- hear appeals from SCRA staff in respect of any of the matters set out in SCRA's Manual of Personnel Policies & Procedures and in accordance with the arrangements set out therein;
- come to a substantive decision on any appeal; and
- report the outcome to the Board at its next meeting following any appeal.

The Committee did not meet in 2024/25.

2.3.10 Planning and Performance Committee

The Planning and Performance Committee comprises the Chair, Vice Chair and two non-executive members. The Principal Reporter/Chief Executive attends ex-officio. The purpose of the Planning & Performance Committee is to scrutinise the quantitative and qualitative performance of the Board to ensure that appropriate arrangements are in place to deliver against organisational performance measures to secure efficient, economic and effective use of all resources, and provide reasonable assurance to the Board that the arrangements are working effectively. The inaugural meeting of the Planning and Performance Committee was held in February 2025 and focused in the remit of the committee. Meetings will be held four times per annum.

2.3.11 Executive management

The Executive Management Team (EMT) comprises the senior managers in the organisation who are responsible for establishing and maintaining a sound internal control system. The EMT meets monthly and is supported by a Health and Safety Committee, Equalities Group, an Information Governance Leads Group and a Digital Change Advisory Board. EMT members also meet regularly as a Programme Board. The EMT receives regular reports on budget management, organisational performance and changes in strategic/operational risks, whereas the Board focuses on strategy, performance and behaviour. The Principal Reporter advises the

Board on all matters and is solely responsible for operational issues. Board members have no authority to instruct the Principal Reporter/Chief Executive or any member of staff on operational matters.

2.3.12 Internal controls

The internal control framework comprises a network of systems designed to provide assurance that organisational objectives will be achieved, with particular reference to:

- risk management;
- the effectiveness of operations;
- the economical and efficient use of resources;
- compliance with applicable policies, procedures, laws and regulations;
- safeguards against losses, including those arising from fraud, irregularity or corruption; and
- the integrity and reliability of information and data.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. It is based on an ongoing process designed to identify and prioritise the risks, evaluate the likelihood of those risks being realised and the impact should they be realised. The system of internal control has been in place in SCRA for the year to 31 March 2025, and up to the date of approval of the annual report and accounts.

The following internal control systems are assessed annually as part of the Scottish Government Certificates of Assurance process which must be completed by the Chief Executive. This process was completed in May 2025 and no major control gaps have been identified.

- | | |
|------------------------|--------------------------|
| • Risk Management | • Procurement |
| • Business Planning | • Human Resources |
| • Major Investment | • Equality and Diversity |
| • Project Management | • Information |
| • Financial Management | • Health & Safety |
| • Fraud | • Compliance |

2.3.13 Risk management arrangements

A framework for measuring, controlling and monitoring strategic risks has been in place throughout the financial year. A regular review of the Strategic Risk Register is undertaken by the Executive Management Team and the Strategic Risk Register is reported to the Audit and Assurance Committee and Board every six months. Strategic risk management is fully established in the corporate planning and decision making processes of SCRA. The Operational Risk Register is overseen by the Senior Operational Managers. Localities maintain their own Risk Registers and these are continuously reviewed at Locality Management Team meetings. Digital Strategy risks are monitored by the Digital Change Advisory Board and programme/project risks are monitored by the Programme Board. EMT is supported in discharging its risk management responsibilities by the Planning and Performance Network.

The key strategic risks tracked throughout 2024/25 included:

- IT Security measures are insufficient to prevent a successful cyber-attack on SCRA case information which results in loss of data which cannot be recovered;
- The optimum model for CSAS ownership and accountability and a joint future partnership between SCRA and CHS is not adequately defined and agreed.
- SCRA do not maintain a skilled, motivated and flexible workforce which can meet current demands and future needs;
- Failure to progress Board approved Environmental plan and inability to accelerate plans to meet new targets;
- Significant policy, legislative and reform/transformation change agenda impacts on SCRA's ability to deliver core services or necessary change programmes;
- 2024/25 Scottish Government budget does not deliver required level of revenue funding with impact on ability to deliver a quality service and respond effectively to new legislative and policy pressures;
- Inability to engage with digital inhibits realisation of full potential of new technologies resulting in significant operational disruption;
- Inability to meet staff expectations on pay/reward resulting in operational disruption/staff engagement in change.
- Inability to spend 2023/24 Children's Care and Justice Bill (CCJB) capital allocations due to lack of specificity of the necessary adaptations to facilities and systems for referral of 16 and 17 year olds.

SCRA developed two joint risks with Sponsor Team relating to financial sustainability and preparation for new legislation.

SCRA's internal auditors are BDO, appointed for the period 1 July 2023 to 30 June 2026. In developing their new three year Internal Audit Plan the Internal Auditor identifies controls testing and assurance of key processes and systems on a risk prioritised basis.

2.3.14 Digital programme

CSAS is SCRA's case management system, shared with Children's Hearings Scotland (CHS) staff and volunteers on a rights-based user access basis. There are three main boards and groups which are involved in the governance of digital development, including determining the viability and approving change requests to CSAS before they can be developed and implemented: these are the Digital Engagement Group (DEG), the Change Control Board (CCB) and Digital Change Authorisation Board (DCAB). The DEG considers users' requests for changes and those approved for action go to the CCB, which is attended by SCRA's digital managers and SCRA's third party supplier of CSAS software development. The DCAB comprises the CEOs, Heads of Digital and Heads of Finance of both SCRA and CHS in order to ensure oversight of investment (both joint investment and individual bodies' investment) in CSAS. Digital Development was reviewed by Internal Audit in 2024/25, providing moderate assurance of design and effectiveness and recommendations for improvements that are currently being implemented.

2.3.15 Programme Management Framework

SCRA has an established Programme Management Framework, with the structures and governance arrangements required to manage change and implementation within the organisation, now, and into the future. It supports clear processes, scope, structures and controls for change activity.

The Programme Management Framework has four streams: Care, Connect, Protect and People. Lessons learned across previous change projects have been taken into the Programme Protect discovery work and the Programme Board approach. The Programme Manager and Programme/Project leads meet with EMT quarterly to review progress and confirm outcomes are on schedule.

2.3.16 Information governance

All Information Governance duties are carried out by Information Governance (IG) Leads who meet frequently as a Group with the SCRA Senior Information Risk Officer (SIRO) as Chair. The day to day work of the Information Governance Team includes General Data Protection Regulation (GDPR) compliance.

2.3.17 Data security

A total of three data breaches, including 2 breaches of non-disclosure orders, have been reported to me by SCRA's SIRO, who also ensures appropriate reporting to the Information Commissioner's Office.

The main cause of non-disclosure breaches is failing to redact documents correctly and the main cause of case information breaches is information being sent to an incorrect address because relevant parties failed to inform SCRA of the change of address, or SCRA is informed of the new address but delays updating it on CSAS. Controls are in place to mitigate the risk of information loss. SCRA works proactively with partners both locally and nationally to highlight information security, and assist them in managing their information more securely in their own locations/settings.

2.3.18 Quality and performance

SCRA's Quality Assurance Team is responsible for providing assurance on the effectiveness of the arrangements within SCRA for discharging the Principal Reporter/Chief Executive's statutory responsibilities towards children referred to the Reporter and meeting agreed quality standards.

Audit & Assurance Committee considered reports on the following areas in the period 2024/25, and approved the management action plan made in response to the findings of each one.

- May 2024: Appeals not opposed by the Reporter
- August 2024: Reporter's assessment on participation rights in Hearings
- November 2024: Reporter's drafting of the statement of grounds involving offences
- February 2025: Reporter advocacy

The Practice and Quality network continues to meet throughout the year with a purpose to share best practice and to help improve the quality of the service provided to children and young people. In addition to sharing the findings from case sampling and identifying and overseeing improvements arising from these, the network provides a forum for sharing learning from local partnership learning reviews (previously significant case reviews) and joint inspections of services for children.

2.3.19 Internal audit

In addition to the Quality Assurance and Performance Team, SCRA has an internal audit service provided under contract, which operates to the Public Sector Internal Audit Standards. They submit regular reports to the Audit and Assurance Committee which include an independent opinion on the adequacy and effectiveness of SCRA's system of internal control together with recommendations for improvement.

No high risk recommendations were identified by the auditors in 2024/25. In the auditors' opinion, the risk management activities and controls in the areas which they examined were found to be suitably designed to achieve the specific risk management, control and governance arrangements. Based on their verification reviews and sample testing the risk management, control and governance arrangements were operating with sufficient effectiveness to provide reasonable, but not absolute assurance that the related risk management, control and governance objectives were achieved for the period under review.

2.3.20 Assessment of corporate governance arrangement

As Accountable Officer, I have reviewed the effectiveness of corporate governance arrangements. My review is informed by:

- the executive managers within SCRA who have responsibility for the development and maintenance of the internal control framework, including the organisation's Senior Information Risk Officer;
- the work of the internal auditors and the Quality Assurance and Performance Team who submit to the Audit and Assurance Committee regular reports which include the Head of Internal Audit's independent and objective opinion on the adequacy and effectiveness of SCRA's system of internal control together with any recommendations for improvement;
- comments made by the external auditors in their management letters and other reports;
- assurances from senior staff in SCRA's 2024/25 Internal Control Checklist which will be submitted to the Sponsor Division as part of the Scottish Government's Certificates of Assurance process;
- a range of other accountability mechanisms including quarterly organisational performance reviews, end to end process reviews, regular assessment of management of key risks, regular review of organisational policies and potentially, information from whistle-blowers in line with the Whistleblowing Policy.

During the financial year 2024/25, no significant control weaknesses or issues have arisen, and no significant failures have arisen in the expected standards for good governance, risk management and control.

2.4 Remuneration and Staff Report

2.4.1 Nominations and Remuneration Committee (unaudited)

As detailed in the Governance Statement, the Remuneration and Nominations Committee is responsible for governance of the pay and remuneration policy for the organisation and the approval of Principal Reporter/Chief Executive appraisal and pay.

Policy on remuneration

SCRA's overall remuneration policy aims to:

- attract, retain and motivate competent and skilled staff at all levels of the organisation
- reward staff for their contribution to SCRA by arrangements which are simple, fair and transparent.

Performance assessment methods

Performance is measured in accordance with a performance appraisal scheme that includes annual objective setting and performance review. For senior managers these objectives relate to both individual performance and corporate performance.

Where performance is satisfactory, staff not at the maximum of their salary scale will progress to the next step in the scale.

Policy on duration of contracts, notice periods and termination payments

It is SCRA's policy normally to offer open-ended appointments, subject to Probationary Policy criteria, operational and resource considerations. The notice period for senior managers is three months. Any payment in relation to termination of employment through retirement or redundancy is governed by SCRA's relevant policies and procedures. Any discretionary payment made to any member of staff on termination is subject to approval by the Board and the Scottish Government.

2.4.2 Senior managers' service contracts (unaudited)

In the event of early termination of a senior manager service contract and subject to Scottish Government advice and necessary approvals, a payment in lieu of notice up to a maximum of 3 months' salary may be made.

	Date of contract	Unexpired term	Notice period
Neil Hunter	04 April 2011	Open-ended contract	3 months
<i>Principal Reporter/Chief Executive</i>			
Ross Mackenzie	01 April 2024*	Open-ended contract	3 months
<i>Acting Head of Finance and Resources*</i>			
Susan Deery	01 May 2016	Open-ended contract	3 months
<i>Head of Human Resources</i>			
Helen Etchells	12 August 2019	Open-ended contract	3 months
<i>Senior Operational Manager</i>			
Paul Mulvanny	12 August 2019	Open-ended contract	3 months
<i>Senior Operational Manager</i>			
Alistair Hogg	01 June 2019	Open-ended contract	3 months
<i>Head of Practice and Policy</i>			
Lisa Bennett	14 September 2015	Open-ended contract	3 months
<i>Head of Strategy and Organisational Development</i>			
Douglas Cameron	13 December 2023	Open-ended contract	3 months
<i>Head of Digital Delivery</i>			

* Ross Mackenzie was appointed permanent Head of Finance and Resources, effective 01 April 2025.

2.4.3 Board members' and Senior Managers' remuneration (audited)

Non-executive Board Members	Salary and allowances 2024-25 £000	Salary and allowances 2023-24 £000
Michelle Miller (Chair) (left office 30 Apr 2024)	0-5*	20-25
Cathie Cowan (Chair) (appointed 07 Jun 2024)	20-25*	n/a
Kay Barton	0-5	0-5
Lynne Clow (appointed 01 Oct 2024)	0-5**	n/a
James Edgar	0-5	0-5
Lorraine Moore	0-5	0-5
Steve Renwick (appointed 17 Jun 2024)	0-5**	n/a
Hazel Smith	0-5	0-5
Martin Toye (left office 31 May 2024)	0-5**	0-5
Suzanne Vestri (left office 30 Sep 2024)	0-5**	0-5
Ying Zhang	0-5	0-5

* The full-year equivalent remunerations for Michelle Miller and Cathie Cowan for 2024-25 fall within the band £20,000-£25,000.

** The full-year equivalent remunerations for Lynne Clow, Steven Renwick, Martin Toye and Suzanne Vestri for 2024-25 fall within the band £0-£5,000.

SCRA does not make any contribution to the Local Government Pension Scheme, nor provide any other form of pension benefit, in respect of any Non-Executive Board Member.

Executive Management Team Members	Salary and allowances 2024/25 £000	Pension benefits 2024/25 £000	Single total figure of remuneration 2024/25 £000	Salary and allowances 2023/24 £000	Pension benefits 2023/24 £000	Single total figure of remuneration 2023/24 £000
Neil Hunter	105-110	59	165-170	100-105	14	115-120
<i>Principal Reporter/Chief Executive</i>						
Ross Mackenzie ¹	70-75	54	125-130	n/a	n/a	n/a
<i>Acting Head of Finance and Resources (appointed 01 April 2024)</i>						
Susan Deery	80-85	43	120-125	75-80	20	95-100
<i>Head of Human Resources</i>						
Helen Etchells	80-85	39	115-120	75-80	20	95-100
<i>Senior Operational Manager</i>						
Paul Mulvanny	80-85	40	120-125	75-80	20	95-100
<i>Senior Operational Manager</i>						
Alistair Hogg	80-85	40	120-125	75-80	18	95-100
<i>Head of Practice and Policy</i>						
Lisa Bennett	80-85	39	120-125	75-80	18	95-100
<i>Head of Strategy and Organisational Development</i>						
Douglas Cameron ²	70-75	51	125-130	20-25	n/a	n/a
<i>Head of Digital Delivery (appointed 13 December 2023)</i>						

¹ Ross Mackenzie's 2023/24 salary and allowances, pension benefits and single total figure of remuneration cannot be reported due to absence of comparable data from 31 March 2024.

² Douglas Cameron's 2023/24 salary and allowances would be in the £65,000-£70,000 bracket if reported on an annualised basis. Pension benefits and single total figure of remuneration in 2023/24 cannot be reported due to absence of comparable data from 31 March 2023.

No senior manager received any benefits in kind or non-cash remuneration in 2024/25 (2023/24: £nil). No significant awards were made, or compensation paid, to former senior managers in 2024/25 (2023/24: none).

Senior managers' pension entitlements

	Real increase in pension in year to 31 March 2025	Real increase in lump sum in year to 31 March 2025	Total accrued pension at 31 March 2025	Total accrued lump sum at 31 March 2025	CETV ¹ at 31 March 2024	CETV ¹ at 31 March 2025	Real increase in CETV ¹ during year
Executive Management							
Team Members	£000	£000	£000	£000	£000	£000	£000
Neil Hunter	2.5-5	0	30-35	0	474	544	44
<i>Principal Reporter/Chief Executive</i>							
Ross Mackenzie	2.5-5	2.5-5	25-30	20-25	329	409	63
<i>Acting Head of Finance and Resources</i>							
Susan Deery	0-2.5	0-2.5	45-50	70-75	895	982	50
<i>Head of Human Resources</i>							
Helen Etchells	0-2.5	0	35-40	0	491	548	34
<i>Senior Operational Manager</i>							
Paul Mulvanny	0-2.5	0-2.5	35-40	45-50	719	796	46
<i>Senior Operational Manager</i>							
Alistair Hogg	0-2.5	0-2.5	35-40	30-35	623	693	42
<i>Head of Practice and Policy</i>							
Lisa Bennett	0-2.5	0-2.5	25-30	15-20	365	411	27
<i>Head of Strategy and Organisational Development</i>							
Douglas Cameron	2.5-5	0-2.5	35-40	35-40	579	653	49
<i>Head of Digital Delivery</i>							

¹ CETV is Cash Equivalent Transfer Value.

Senior managers' pension entitlements: prior year comparatives

	Real increase in pension in year to 31 March 2024	Real increase in lump sum in year to 31 March 2024	Total accrued pension at 31 March 2024	Total accrued lump sum at 31 March 2024	CETV ¹ at 31 March 2023	CETV ¹ at 31 March 2024	Real increase in CETV ¹ during year
Executive Management							
Team Members	£000	£000	£000	£000	£000	£000	£000
Neil Hunter	0-2.5	0	30-35	0	403	474	47
<i>Principal Reporter/Chief Executive</i>							
Edward Morrison	0-2.5	0-2.5	45-50	65-70	823	953	92
<i>Head of Finance and Resources</i>							
Susan Deery	0-2.5	0-2.5	40-45	65-70	772	895	86
<i>Head of Human Resources</i>							
Helen Etchells	0-2.5	0	30-35	0	396	491	73
<i>Senior Operational Manager</i>							
Paul Mulvanny	0-2.5	0-2.5	35-40	45-50	603	719	86
<i>Senior Operational Manager</i>							
Alistair Hogg	0-2.5	0-2.5	30-35	30-35	529	623	68
<i>Head of Practice and Policy</i>							
Lisa Bennett	0-2.5	0-2.5	25-30	10-15	292	365	55
<i>Head of Strategy and Organisational Development</i>							
Douglas Cameron ²	n/a	n/a	30-35	35-40	n/a	579	n/a
<i>Head of Digital Delivery (appointed 13 December 2023)</i>							
Lawrie McDonald	0-2.5	0	5-10	0	83	91	5
<i>Head of Digital Delivery (left office 01 May 2023)</i>							

¹ CETV is Cash Equivalent Transfer Value.

² Douglas Cameron's real increase in CETV, pension and lump sum cannot be reported due to absence of comparable data from 31 March 2023.

Fair pay disclosures

During 2024/25, the full-time equivalent remuneration paid to SCRA staff ranged from £21,924 to £107,697 (2023/24: £19,914 to £103,059). Remuneration figures exclude cash-equivalent transfer values and employer pension contributions.

	2024-25 Salary	2024-25 Allow- ances	2024-25 Total remun- eration	2023-24 Salary	2023-24 Allow- ances	2023-24 Total remun- eration
Highest paid Executive Management Team member	£107,697	£0	£107,697	£103,059	£0	£103,059
25 th percentile	£29,571	£0	£29,571	£28,071	£0	£28,071
Median	£37,861	£0	£37,861	£36,059	£0	£36,059
75 th percentile	£52,215	£0	£52,215	£49,729	£0	£49,729

The 25th percentile pay ratio has decreased from 3.67:1 to 3.64:1. The median pay ratio has decreased from 2.86:1 to 2.84:1. The 75th percentile pay ratio has decreased from 2.07:1 to 2.06:1. The remuneration of the highest-paid Executive Team Member has increased 4.5% from 2023/24. SCRA believes the median pay ratio for 2024/25 is consistent with its pay, reward and progression policies for SCRA employees taken as a whole.

2.4.4 Amounts payable to and from third parties for the services of a senior manager (audited)

Children's Hearings Scotland paid SCRA £2,562 in 2024/25 (2023/24: £2,910) in respect of senior management services from Ross Mackenzie.

2.4.5 Staff breakdown by gender and permanent/non-permanent contracts (unaudited)

	2024-25	2023-24
Staff with permanent contract - Male	45	42
Staff with permanent contract - Female	317	307
Agency staff/staff with short-term contract - Male	8	9
Agency staff/staff with short-term contract - Female	64	62
Total	434	420

Average numbers are calculated using actual whole-time person equivalents at 31 March 2024, 30 June 2024, 30 September 2024, 31 December 2024 and 31 March 2025.

Included in these numbers above are five male executive team members and three female executive team members. SCRA does not employ any senior civil servants.

2.4.6 Staff numbers and related costs (audited)

(i) Staff costs – staff with a permanent (UK) employment contract

	2024-25 £000	2023-24 £000
Salaries and wages	15,817	14,785
Social security costs	1,660	1,519
Contributions to pension scheme	3,255	3,021
Cost of early retirement	210	(2)
IAS 19 adjustment to pension scheme contributions	(186)	69
	20,756	19,392

(ii) Staff costs – other staff

	2024-25 £000	2023-24 £000
Salaries and wages	3,330	2,940
Social security costs	345	297
Contributions to pension scheme	649	604
	4,324	3,841

(iii) Staff costs – all staff

	2024-25 £000	2023-24 £000
Salaries and wages	19,147	17,725
Social security costs	2,005	1,816
Contributions to pension scheme	3,904	3,625
Cost of early retirement	210	(2)
IAS 19 adjustment to pension scheme contributions	(186)	69
	25,080	23,233

The average pay per FTE employee, excluding the Principal Reporter/Chief Executive, increased by 8.5% between 31 March 2024 and 31 March 2025, reflecting SCRA's implementation of its 2024/25 pay policy and a shift towards recruitment of higher-graded roles.

(iv) Exit packages

SCRA agreed 1 exit package during 2024/25, the non-contractual element of which cost £30k, in addition to contractual pay in lieu of notice of £9k (2023/24: 1 exit package, the non-contractual element of which cost £13k). This package did not include compulsory redundancy, but did constitute 1 special payment of £39k as broken down above (2023/24: £nil compulsory redundancy, but 1 special non-contractual payment of £13k).

(v) Consultancy

In 2024/25, SCRA spent £97,485 on consultancy (2023/24: £25,477).

2.4.7 Staff Sickness Absence (unaudited)

In the year to 31 March 2025 average staff sickness absence was 5.8% (2024: 4.9%). The target for the year to 31 March 2025 was 4.0% (2024: 4%). Further detail can be found in section 1.2.3 of the Performance Report.

2.4.8 Disability, Diversity and Equal Treatment (unaudited)

SCRA is a Disability Confident Employer. We continue to work on our portfolio for assessment to become a Disability Confident Leader and will be engaging with other Disability Confident Leaders in learning from their journey. Currently, as a disability confident employer we are committed to and can demonstrate the following:

- We provide a fully inclusive and accessible recruitment process
- We offer an interview to disabled people who meet the essential criteria for the role
- We are flexible when assessing people so disabled job applicants have the best opportunity to demonstrate that they can do the job
- We plan for, and make reasonable adjustments to, the assessment and interview process
- We make sure people involved in the interviewing process understand the Disability Confident commitment and know how to offer and make reasonable adjustments
- During employment, we proactively offer and make reasonable adjustments as required
- We have appointed Inclusion Ambassadors from various locations and roles across the organisation and Equality, Diversity and Inclusion (EDI) Leads in each locality who continually champion and promote our inclusion and diversity initiatives across the organisation. We have and continue to provide them with appropriate awareness raising and training.
- We have a Disability Group/Network who drive forward key initiatives and work based on an annual action plan
- We provide paid employment both on a permanent and fixed term basis, including Modern Apprenticeships, to employees with a wide range of disabilities
- We engage with Jobcentre Plus, Work and Health Programme providers to provide training and/or access support as required
- We provide an environment that is inclusive and accessible for staff, partner organisations, children, young people and their families
- We support employees to manage their disabilities or health concerns
- We ensure there are no barriers to development and progression for disabled staff
- We ensure managers are aware of how they can support staff who are sick or absent from work
- We promote information and advice on mental health conditions
- We have signed up to the Mental Health at Work Standards and Commitments and have developed an action plan of activity to improve mental health supports to all staff
- We have trained Mental Health First Aiders available to staff across the organisation.

- We provide occupational health services and an employee assistance programme
- We have a Disability Leave Policy which supports staff with a disability in managing their time off related to their disability.

SCRA is committed to fostering a workplace that is inclusive, respectful, and representative of the communities it serves. Its approach is embedded across strategic planning, operational delivery, and organisational culture, with a strong emphasis on fairness, dignity, and equality of opportunity.

More information on SCRA's approach to supporting diversity and equal treatment in employment can be found in the following documents:

[People Strategy 2024-2027](#)

[Rights, Inclusion and Corporate Parenting Strategy 2024-2027](#)

[SCRA Equality, Diversity & Inclusion Mainstreaming Report 2023/ 2024](#)

[Employee Information Statistic Report 2024-2025](#)

[Pay Gap Report 2024](#)

[Equal Pay Audit Statement](#)

2.4.9 Facility time (unaudited)

Under the Trade Union (Facility Time Publication Requirements) Regulations SCRA is required to publish the following information.

Relevant union officials

What was the total number of your employees who were relevant union officials during the relevant period?

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
9	8.76

Percentage of time spent on facility time

How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

Percentage of time	Number of employees
0%	0
1%-50%	8
51%-99%	0
100%	1

Percentage of paybill spent on facility time

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

Provide the total cost of facility time	£86,673
Provide the total paybill	£25,056k
Provide the percentage of the total paybill spent on facility time, calculated as: (total cost of facility time ÷ total paybill x 100)	0.35%

Paid trade union activities

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	100%
---	------

2.5 Parliamentary Accountability Report

SCRA is required to report on any high-value losses and special payments incurred in the financial year, any fees and charges receivable in the financial year and any remote contingent liabilities as at the date the accounts were signed by the Accountable Officer.

- No reportable losses were incurred in the financial year to 31 March 2025.
- No reportable special payments were made in the financial year to 31 March 2025.
- No reportable fees or charges were received in the financial year to 31 March 2025.
- There are no remote contingent liabilities as at the date the accounts were signed.

Neil Hunter
Accountable Officer

2.6 Independent auditor's report to the members of Scottish Children's Reporter Administration, the Auditor General for Scotland and the Scottish Parliament

I have audited the financial statements in the annual report and accounts of Scottish Children's Reporter Administration for the year ended 31 March 2025 under the Children's Hearings (Scotland) Act 2011. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Government Financial Reporting Manual (the 2024/25 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2025 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 FReM; and
- have been prepared in accordance with the requirements of the Children's Hearings (Scotland) Act 2011 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 27 May 2025. My period of appointment is three years, covering 2024/25 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my separate Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the central government sector to identify that the Children's Hearings (Scotland) Act 2011 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or

the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Children's Hearings (Scotland) Act 2011 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and

Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Children's Hearings (Scotland) Act 2011 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Children's Hearings (Scotland) Act 2011 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Lisa Duthie
Audit Scotland
4th Floor
The Athenaeum Building
8 Nelson Mandela Place
Glasgow
G2 1BT

3. Financial Statements

3.1 Statement of Comprehensive Net Expenditure for year ending 31 March 2025

	Note	2024-2025	2023-2024
		£000	£000
Expenditure			
Staff costs	3	25,080	23,233
Other expenditure	4	6,121	5,858
Depreciation and amortisation	5,7,14	3,175	2,697
		<u>34,376</u>	<u>31,788</u>
Income	2	<u>(244)</u>	<u>(205)</u>
Net expenditure		34,132	31,583
Interest payable		159	109
Interest receivable		-	-
Pension scheme finance cost	11	(199)	(5)
Net expenditure before Scottish Government funding		<u>34,092</u>	<u>31,687</u>
Other comprehensive net expenditure			
Items which will not be reclassified to net expenditure:			
Actuarial loss/(gain) on pensions	11	(33,460)	(4,190)
Revaluation loss/(surplus) on property			(577)
Comprehensive net expenditure for the year		<u>632</u>	<u>26,920</u>

3.2 Statement of Financial Position as at 31 March 2025

	Note	31 March 2025 £000	31 March 2024 £000
Non-current assets			
Property, plant and equipment	5	8,670	8,513
Right of use assets	14	5,256	5,760
Intangible assets	7	3,776	3,924
<i>Total non-current assets</i>		<u>17,702</u>	<u>18,197</u>
Current assets			
Trade and other receivables	8	365	510
Cash and cash equivalents	9	2,901	3,869
<i>Total current assets</i>		<u>3,266</u>	<u>4,379</u>
Total assets		20,968	22,576
Current liabilities			
Trade and other payables	10	3,055	3,711
Other provisions	13	40	37
Lease obligations	14	641	531
<i>Total current liabilities</i>		<u>3,736</u>	<u>4,279</u>
Non-current assets less net current liabilities		17,232	18,297
Non-current liabilities			
Payables	10	45	45
Pension liability/(asset)	11	2,321	(4,307)
Provision for unfunded pensions	12	127	142
Other provisions	13	479	438
Lease obligations	14	4,901	5,344
<i>Total non-current liabilities</i>		<u>7,873</u>	<u>1,662</u>
Assets less liabilities		<u>9,359</u>	<u>16,635</u>
Taxpayers' equity			
General fund	19	(19,736)	(18,888)
Pension reserve	11	26,040	32,468
Revaluation reserve		3,055	3,055
Total taxpayers' equity		<u>9,359</u>	<u>16,635</u>

The Accountable Officer authorised these financial statements for issue on

Neil Hunter
Accountable Officer

3.3 Statement of Cash Flows for year ending 31 March 2025

	Notes	2024-2025 £000	2023-2024 £000
Cash flows from operating activity			
Net expenditure		(34,132)	(31,583)
Adjustments for non-cash items			
Increase/(Decrease) in pension fund liability	11	6,628	(4,307)
Increase/(Decrease) in pension reserve		(6,428)	4,191
Depreciation and amortisation charges	5,7,14	3,175	2,697
Revaluation losses (gains) on non-current assets	5		22
Impairment on non-current asset	1(f),4,5	239	
<i>Movements in working capital</i>			
Decrease/(Increase) in trade and other receivables	8	145	117
Decrease/(Increase) in trade and other payables	10,13	(1,326)	(80)
<i>Movements in provisions</i>			
Increase/(Decrease) in provision for unfunded pensions	12	(15)	(17)
Net cash outflow from operating activities		(31,714)	(28,960)
Cash flow from investing activities			
Purchase of property, plant and equipment	5	(1,029)	(919)
Purchase of intangible assets	7	(983)	(358)
Cash flow from financing activities			
Scottish Government funding for year		33,244	32,731
Repayment of leasing liabilities		(526)	(722)
Interest paid on lease obligations		(156)	(106)
Other interest paid		(3)	(3)
Net interest expense on pension asset	11	199	5
Net increase/(decrease) in cash and cash equivalents		(968)	1,668
Opening Cash Balance	9	3,869	2,201
Closing Cash Balance	9	2,901	3,869

3.4 Statement of Changes in Taxpayers' Equity

	General Fund £000	Pension Reserve £000	Revaluation Reserve £000	Total Reserves £000
Balance at 31 March 2023	(19,932)	28,277	2,478	10,823
Changes in taxpayers' deficit for 2023-24				
Net gain on revaluation of property			577	577
Actuarial gain on pension reserve		4,191		4,191
Net expenditure for the year	(31,687)			(31,687)
Total recognised income and expense for 2023-24	(51,619)	32,468	3,055	(16,096)
Funding from Scottish Government	32,731			32,731
Balance at 31 March 2024	(18,888)	32,468	3,055	16,635
Changes in taxpayers' deficit for 2024-25				
Net gain on revaluation of property				
Actuarial gain/(loss) on pension reserve		(6,428)		(6,428)
Net expenditure for the year	(34,092)			(34,092)
Total recognised income and expense for 2024-25	(52,980)	26,040	3,055	(23,885)
Funding from Scottish Government	33,244			33,244
Balance at 31 March 2025	(19,736)	26,040	3,055	9,359

3.5 Notes of the financial statements

1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2024-2025 Government Financial Reporting Manual (FReM) issued by HM Treasury.

The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of SCRA for the purposes of giving a true and fair view has been selected. The particular policies adopted by SCRA are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

a. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, investment properties, plant and equipment and intangible assets to fair value as determined by the relevant accounting standard. The financial statements have been prepared on a going concern basis.

b. Employee benefits

SCRA has an agreement with Falkirk Council under which all staff are eligible to enter the Local Government Pension Scheme managed by the Council in accordance with the rules thereof. It is a defined benefit scheme providing pension benefits and life assurance for all staff members.

The defined benefits pension scheme's assets are included at market value and this is compared to the present value of the scheme liabilities using a projected unit method and discounted at a rate in accordance with the FReM and consistent with IAS 19. The increase in the present value of the liabilities of the scheme expected to arise from employee service in the period is charged to net expenditure. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in pension scheme finance cost. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to reserves and are recognised in the Statement of Comprehensive Net Expenditure.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected accrued benefit method. The valuation used for contributions during 2024/25 was at 31 March 2023. Details of these valuations are included in reports published by Falkirk Council.

The contribution rates for 2024-25 were an average of 6.3% by employee and 17.4% by employer.

c. Property, plant and equipment

SCRA's policy is to carry out a full independent external valuation of land and buildings every five years supplemented by interim desktop valuations. The full estate of Land and Buildings was valued on an open market basis as at 31 March 2024. An interim valuation of the Glenrothes property was carried out at 31 March 2025 due to substantial upgrading works during the financial year. It was deemed the valuation would not significantly impact the value of the property estate and therefore a full valuation was not carried out.

Other property, plant and equipment are stated at depreciated historical cost as a proxy for fair value as the assets in this category have a low value and short useful life. It is SCRA's policy to capitalise assets which have an expected useful life in excess of one year and cost more than £5,000 including VAT. Purchases as part of a project are considered together when applying the £5,000 minimum limit. This limit was increased from £1,000 to £5,000 for the year ending 31 March 2025.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to SCRA, and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Comprehensive Net Expenditure during the financial year in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to revaluation reserve. Decreases that offset previous increases of the same asset are charged against revaluation reserve; all other decreases are charged to the Statement of Comprehensive Net Expenditure.

d. Right of Use Assets and lease liabilities

At inception of a contract, SCRA considers whether a contract is, or contains, a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

To apply this definition, SCRA assesses whether the contract meets two key evaluations:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to SCRA;
- SCRA has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.

At lease commencement date, SCRA recognises a right-of-use asset and a lease liability on the balance sheet. The lease liability is measured as the present value of the lease payments that are not paid at that date, discounted using the HM Treasury discount rate promulgated in the PES papers. The interest element of the lease payments are charged to the Statement of Comprehensive Net Expenditure. The right-of-use asset is measured at cost, comprising the initial measurement of the lease liability, any initial direct costs incurred by SCRA and an

estimate of any costs to dismantle and remove the asset at the end of the lease net of any incentives received.

At the 31 March 2024, Ryden, Chartered Surveyors, valued the current market rents of SCRA's leased properties and it was deemed that this has not resulted in a material change to the overall valuation of right-of-use asset currently held at cost

SCRA depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. SCRA also assesses the right-of-use asset for impairment when such indicators exist

In line with the FReM, SCRA accounts for short-term leases and leases of low-value assets as an expense in the Income and Expenditure Account on a straight-line basis over the lease term, rather than recognising a right-of-use asset and lease liability.

SCRA's right of use assets and corresponding lease obligations are for buildings used for offices and hearing centres.

e. Depreciation

Depreciation is provided on property, plant and equipment on a straight-line basis at rates sufficient to write down their cost or revalued amounts to their residual values over their estimated useful lives. The depreciation rates for the principal categories of assets are as follows:

Land	Not depreciated
Assets under construction	Not depreciated
Buildings	5 – 50 years
Fixtures & Fittings	4 years
Plant & Machinery	10 years
Computer Equipment	2 – 4 years
Other Equipment	4 years
Leasehold Improvements	lesser of 10 years and the remaining term of the lease
Right of Use assets	lesser of useful life and the remaining term of the lease

f. Impairment

Assets which are subject to amortisation or depreciation are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised by the amount by which the carrying amount exceeds its recoverable amount. Any impairment loss is recognised immediately in Statement of Comprehensive Net Expenditure, except for assets previously re-valued where the revaluation was taken to the asset revaluation reserve. In this case, the impairment loss is recognised in Other Comprehensive Net Expenditure to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset.

g. Assets held for sale

A property is derecognised and held for sale under IFRS 5 when all the following requirements are met:

- A management decision has been made to dispose of the property;
- The property is being actively marketed for sale;
- The sale is highly probable within 12 months of classification as held for sale

h. Government grants

It is SCRA's policy to credit all government grants and grant-in-aid to the General Reserve in line with the FReM.

i. Liabilities

All material amounts outstanding as at 31 March 2025 have been included in the Statement of Comprehensive Net Expenditure irrespective of when actual payment was made.

j. Provisions

Provision is recognised in the Statement of Financial Position when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

k. Other income

SCRA recognises other income in the year to which it relates.

l. Intangible assets

Intangible assets are stated at historic purchase cost less accumulated amortisation. Acquired computer software licences and developed software are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over the asset's useful life of between 2 and 10 years.

m. Other administration and programme costs

The costs reported in the Statement of Comprehensive Net Expenditure include other administration costs but there is no specific expenditure on programme costs.

n. Pensions

The accounts have been prepared incorporating the requirements of *International Accounting Standard 19 – Employee Benefits* (IAS 19) and include an actuarial valuation of the pension scheme liability as explained in note 11 to the accounts. This reflects the inclusion of liabilities falling due in future years in respect of pension liabilities arising from the application of IAS 19 to SCRA. Hymans Robertson, the actuary to the pension scheme who has collated the information from the Local Government Pension Scheme (LGPS) fund in which SCRA participates, has calculated the liability arising under IAS 19. The actuary to the LGPS fund in which SCRA participates conducts a triennial review of the funding basis of the pension scheme,

along with yearly reviews when appropriate. The last formal valuation of the funds was conducted as at 31 March 2023. In preparing the projected pension expense for the year to 31 March 2025, the actuary has assumed employees continue to earn new benefits in line with the regulations as they currently stand and that the pensionable payroll remains stable with new entrants replacing leavers. The other main financial assumptions are set out in note 11.

To the extent that the pension deficit is not met from SCRA's sources of income it may only be met by future grant in aid from SCRA's sponsoring department, the Scottish Government Education Department. This is because, under the normal conventions applying to parliamentary control over income and expenditure, such grants may not be paid in advance of need.

SCRA is required to meet the additional costs of benefits beyond the normal pension scheme benefits in respect of employees who retire early. SCRA provides in full for these costs when the early retirement has been agreed. SCRA, rather than the pension scheme, is liable for that portion of pensions relating to early retirement.

o. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Currently SCRA has no trade payables classified as non-current liabilities.

p. Value Added Tax

SCRA is not registered for VAT and all costs are shown inclusive of irrecoverable VAT.

q. Review of accounting policies and estimation techniques

These financial statements have been prepared under International Financial Reporting Standards (IFRS).

Areas of judgement in how SCRA's accounting policies are applied include the fair values of properties (see note 1.c), right of use assets/lease liabilities (see note 1.d) and pension estimation technique.

Sensitivity analysis

The most significant financial impact arising by assumptions are those used to calculate the pension asset/deficit. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below.

	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £000
Change in assumptions at 31 March 2025		
0.1% decrease in Real discount Rate	2%	2,187
1 year increase in member life expectancy	4%	4,842
0.1% increase in the Salary Increase Rate	0%	168
0.1% increase in the Pension Increase Rate (CPI)	2%	2,078

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, the actuary estimates that a one year increase in life expectancy would approximately increase SCRA's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

In order to quantify the impact of a change in the financial assumptions used, the value of the scheme obligations as at 31 March 2025 have been calculated and compared on varying bases. The approach taken is consistent with that adopted to derive the IAS19 figures provided in these financial statements, based on the profile (average member ages, retirement ages etc.) of SCRA as at the date of the most recent actuarial valuation.

The approach taken in preparing the sensitivity analysis shown is consistent with that adopted in the previous year.

r. Accounting standards not yet adopted

As at the date of authorisation of these financial statements, the following international financial accounting standards (IFRSs) were not yet adopted:

- IFRS 17 Insurance contracts
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability

These standards are not UK-adopted per the Government's Financial Reporting Manual (FReM) and, when adopted, will have no material impact on SCRA's financial statements or reporting.

2. Income

Income of £244k (2023-24: £205k) is comprised mainly of property rental income, shared services income, and staff secondment income.

3. Staff Costs

A detailed breakdown of Staff Costs and Numbers is contained within the Remuneration and Staff Report section of the Accountability Report.

4. Other expenditure

	2024-25	2023-24
	£000	£000
Running costs ²	2,443	2,652
Other property costs	2,442	2,319
Hearing and legal costs	387	256
Training, recruitment and other staff costs	467	449
Short-term and low-value leases	15	33
Board fees and expenses	49	50
Auditor remuneration	48	48
Internal auditors' remuneration	31	29
Loss on revaluation of non-current assets	0	22
Impairment of non-current asset	239	0
	6,121	5,858

5. Tangible non-current assets

Additions of total property, plant and equipment in the schedule of £1.595m (2023/24: £1.703m) appear in the cash flow as £1.029m (2023/24: £0.919m) after adjustment for opening and closing property, plant and equipment accruals in trade and other payables.

² Running costs exclude £45k of costs that relate to 2024/25 that were accounted for within the 2023/24 financial year.

	Land	Buildings	Assets under construction	Leasehold Improvements	Fixtures and fittings	Computer Equipment	Other equipment	Plant and machinery	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000

Cost/Valuation

At 1 April 2024	1,430	3,857	51	4,258	2,563	1,739	2,469	145	16,512
Additions		2	725	180	92	596			1,595
Transfers		360	(460)	3	70		27		0
Disposals				(1,657)	(85)	(4)	(50)		(1,796)
Revaluation									
Impairment		(239)							(239)
At 31 March 2025	1,430	3,980	316	2,784	2,640	2,331	2,446	145	16,072

Accumulated depreciation

At 1 April 2024	0	0	0	3,287	1,264	1,003	2,300	145	7,999
Provided in year		149		217	431	327	75		1,199
Withdrawn on disposal				(1,657)	(85)	(4)	(50)		(1,796)
Revaluation									
At 31 March 2025	0	149	0	1,847	1,610	1,326	2,325	145	7,402

Net book value

At 31 March 2025	1,430	3,831	316	937	1,030	1,005	121	0	8,670
At 31 March 2024	1,430	3,857	51	971	1,299	736	169	0	8,513

Prior year comparatives

	Land	Buildings	Assets under construction	Leasehold improvements	Fixtures and fittings	Computer Equipment	Other equipment	Plant and machinery	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost/Valuation									
At 1 April 2023	1,473	3,644	52	3,929	1,765	1,327	2,383	145	14,718
Additions			663	280	335	425			1,703
Transfers			(664)	49	527		88		0
Disposals					(64)	(13)	(2)		(79)
Revaluation	(43)	213							170
At 31 March 2024	1,430	3,857	51	4,258	2,563	1,739	2,469	145	16,512
Accumulated depreciation									
At 1 April 2023	0	257	0	2,995	1,088	780	2,234	145	7,499
Provided in year		128		292	240	236	68		964
Withdrawn on disposal					(64)	(13)	(2)		(79)
Revaluation		(385)							(385)
At 31 March 2024	0	0	0	3,287	1,264	1,003	2,300	145	7,999
Net book value									
At 31 March 2024	1,430	3,857	51	971	1,299	736	169	0	8,513
At 31 March 2023	1,473	3,387	52	934	677	547	149	0	7,219

6. Assets held for sale

SCRA has no assets held for sale as at 31 March 2025 (2024: none).

7. Intangible assets

Additions of total intangible assets in the schedule of £1.090m (2023/24: £0.757m) appear in the cash flow as £0.983m (2023/24: £0.358m) after adjustment for opening and closing intangible asset accruals in trade and other payables.

	Software licences £000	Information Technology £000	Total £000
Cost/Valuation			
As at 1 April 2024	280	7,193	7,473
Additions	0	1,090	1,090
Transfers	0	0	0
Disposals	0	0	0
At 31 March 2025	280	8,283	8,563
Accumulated amortisation			
At 1 April 2024	277	3,272	3,549
Provided in year	3	1,235	1,238
Withdrawn on disposal	0	0	0
At 31 March 2025	280	4,507	4,787
Net Book Value			
At 31 March 2025	0	3,776	3,776
At 31 March 2024	3	3,921	3,924
Prior year comparatives			
Cost/Valuation			
As at 1 April 2023	280	6,436	6,716
Additions	0	757	757
Transfers	0	0	0
Disposals	0	0	0
At 31 March 2024	280	7,193	7,473
Accumulated amortisation			
At 1 April 2023	273	2,310	2,583
Provided in year	4	962	966
Withdrawn on disposal	0	0	0
At 31 March 2024	277	3,272	3,549
Net Book Value			
At 31 March 2024	3	3,921	3,924
At 31 March 2023	7	4,126	4,133

8. Trade and other receivables

(i) Current assets

	2024-25 £000	2023-24 £000
Prepayments	302	230
Other receivables	63	280
Balance at 31 March	365	510

(ii) Intra governmental balances

	2024-25 £000	2023-24 £000
Balances with local authorities	4	7
Balances with other central government bodies	29	256
Balances with bodies external to government	332	247
Balance at 31 March	365	510

9. Cash and cash equivalents

	2024-25 £000	2023-24 £000
Balance at 1 April	3,869	2,201
Net change in cash and cash equivalents	(968)	1,668
Balance at 31 March	2,901	3,869
Bank accounts	2,898	3,866
Petty cash balance	3	3
	2,901	3,869

All bank balances at 31 March 2025 are held with commercial banks.

10. Trade and other payables

(i) Current liabilities

	2024-25 £000	2023-24 £000
Trade payables	1,023	1,156
Tax and social security	489	465
Other payables	415	465
Accruals	1,128	1,625
Balance at 31 March	3,055	3,711

The decrease in total trade and other payables of £0.656m (2023/24: increase £1.108m) is shown in the statement of cash flows as a decrease of £1.326m (2023/24: decrease £0.08m) after adjustment for movements in property, plant and equipment (note 5) and intangible assets (note 7).

(ii) Non-current liabilities

	2024-25 £000	2023-24 £000
Public Works Loan Board (PWLB) loans	37	37
Other payables, accruals and deferred income	8	8
Balance at 31 March	45	45

(iii) Intra governmental balances

	Payables: current 2024-25 £000	Payables: non- current 2024-25 £000	Payables: current 2023-24 £000	Payables: non- current 2023-24 £000
Balances with local authorities	399	0	476	0
Balances with other central government bodies	731	37	696	37
Balances with bodies external to government	1,925	8	2,539	8
At 31 March	3,055	45	3,711	45

11. Pensions

Financial assumptions

The assumptions SCRA instructed the actuary to use are:

Period Ended	31 March 2025 % per annum	31 March 2024 % per annum
Pension Increase Rate (CPI)	2.75%	2.75%
Salary Increase Rate	3.25%	3.25%
Discount Rate	5.80%	4.85%

As at the date of the most recent valuation, the duration of the Employer's funded liabilities is 17 years.

Demographic assumptions

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2023 model, with a 15% weighting of 2023 (and 2022) data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% per annum for both males and females. Based on these assumptions, the average future life expectancies at age 65 for SCRA, assuming future pensioners members are aged 45 as at last formal valuation date, are:

	Males	Females
Current Pensioners	20.6 years	23.4 years
Future Pensioners	22.1 years	25.0 years

Life expectancies for the prior period end are based on the Fund's VitaCurves. The allowances for future improvements, for both current and future pensioners, are CMI 2022 model with a 25% weighting of 2022, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% per annum.

Please note that the mortality assumptions used to value SCRA's obligations in the Closing Position are different to those used to value SCRA's obligations in the Opening Position. A commutation allowance is included for future retirements to elect to take 75% of the maximum additional tax-free cash up to HMRC limits. All other demographic assumptions are as per the latest funding valuation of SCRA.

Asset ceiling adjustment

The fair value of plan assets from 31 March 2023 to 31 March 2025 exceeded the estimated present value of liabilities. In accordance with International Financial Reporting Interpretations Committee Interpretation 14 ("IFRIC 14"), SCRA only recognises that net asset, in its Statement of Financial Position, to the extent that it represents the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions. SCRA has no unconditional right to refunds from the plan. When expressed as the present value of estimated future service costs less the present value of estimated future service contributions, the economic benefit available in the form of reductions in future contributions is £0, before accounting for unfunded pension liabilities; this is what SCRA has recognised in its Statement of Financial Position. Without an asset ceiling, SCRA would have recognised a net pension asset of £37.567m at 31 March 2025 (2024: £15.672m).

Change in the fair value of plan assets, defined benefit obligation and net asset/liability for the year end 31 March 2025

	Assets £000	Obligations £000	Impact of asset ceiling adjustments £000	Net asset (liability) £000
Fair value of plan assets	152,385			152,385
Present value of funded liabilities		134,000		(134,000)
Present value of unfunded liabilities		2,713		(2,713)
Effect of the asset ceiling			(11,365)	(11,365)
Opening position as at 31 March 2024	152,385	136,713	(11,365)	4,307
Service cost				
- Current service cost	0	3,902		(3,902)
- Past service cost (including curtailments)	0	0		0
- Effect of settlements	0	0		0
Total service cost	0	3,902		(3,902)
Net interest				
- Net income on plan assets	7,391			7,391
- Net cost on defined benefit obligation		6,641		(6,641)
- Interest on the effect of the asset ceiling			(551)	(551)
Total net interest	7,391	6,641	(551)	199
Total defined benefit cost recognised in the Statement of Comprehensive Net Expenditure	7,391	10,543	(551)	(3,703)
Cash flows				
- Participants' contributions	1,209	1,209		0
- Employer contributions	3,317	0		3,317
- Estimated benefits paid	(4,276)	(4,276)		0
- Estimated unfunded benefits paid	(186)	(186)		0
- Estimated contributions in respect of unfunded benefits paid	186	0		186
- Effect of business combinations and disposals	0	0		0
Expected closing position	160,026	144,003	(11,916)	4,107
Remeasurements				
- Change in financial assumptions	0	(21,448)		21,448
- Change in demographic assumptions	0	(232)		232
- Other experience	0	(1,269)		1,269
- Return on assets excluding amounts included in net interest	(1,405)	0		(1,405)
- Changes in the effect of the asset ceiling	0	0	11,916	11,916
Total remeasurements recognised in Statement of Taxpayers' Deficit	(1,405)	(22,949)	11,916	33,460
Fair value of plan assets	158,621			158,621
Present value of funded liabilities		118,733		(118,733)
Present value of unfunded liabilities		2,321		(2,321)
Effect of the asset ceiling			(39,888)	(39,888)
Closing position as at 31 March 2025	158,621	121,054	(39,888)	(2,321)

Change in the fair value of plan assets, defined benefit obligation and net asset/liability for the year end 31 March 2024

	Assets £000	Obligations £000	Impact of asset ceiling adjustments £000	Net asset (liability) £000
Fair value of plan assets	146,682			146,682
Present value of funded liabilities		123,510		(123,510)
Present value of unfunded liabilities		3,008		(3,008)
Effect of the asset ceiling			(20,164)	(20,164)
Opening position as at 31 March 2023	146,682	126,518	(20,164)	0
Service cost				
- Current service cost	0	3,710		(3,710)
- Past service cost (including curtailments)	0	0		0
- Effect of settlements	0	0		0
Total service cost	0	3,710		(3,710)
Net interest				
- Net income on plan assets	6,997			6,997
- Net cost on defined benefit obligation		6,034		(6,034)
- Interest on the effect of the asset ceiling			(958)	(958)
Total net interest	6,997	6,034	(958)	5
Total defined benefit cost recognised in the Statement of Comprehensive Net Expenditure	6,997	9,744	(958)	(3,705)
Cash flows				
- Participants' contributions	1,092	1,092		0
- Employer contributions	3,641	0		3,641
- Estimated benefits paid	(4,117)	(4,117)		0
- Estimated unfunded benefits paid	(181)	(181)		0
- Estimated contributions in respect of unfunded benefits paid	181	0		181
- Effect of business combinations and disposals	0	0		0
Expected closing position	154,295	133,056	(21,122)	117
Remeasurements				
- Change in financial assumptions	0	(8,310)		8,310
- Change in demographic assumptions	0	(2,505)		2,505
- Other experience	(7,190)	14,472		(21,662)
- Return on assets excluding amounts included in net interest	5,280	0		5,280
- Changes in the effect of the asset ceiling	0	0	9,757	9,757
Total remeasurements recognised in Statement of Taxpayers' Deficit	(1,910)	3,657	9,757	4,190
Fair value of plan assets	152,385			152,385
Present value of funded liabilities		134,000		(134,000)
Present value of unfunded liabilities		2,713		(2,713)
Effect of the asset ceiling			(11,365)	(11,365)
Closing position as at 31 March 2024	152,385	136,713	(11,365)	4,307

Fair value of employer assets at 31 March 2025

Asset Category	Quoted prices in active markets £000	Quoted prices not in active markets £000	Total £000	%
Equity securities:				
Consumer	14,873.4	-	14,873.4	9%
Manufacturing	12,661.3	-	12,661.3	8%
Energy and utilities	7,513.4	-	7,513.4	5%
Financial institutions	11,083.2	-	11,083.2	7%
Health and care	5,622.5	-	5,622.5	4%
Information technology	8,313.6	-	8,313.6	5%
Other	1,270.8	-	1,270.8	1%
Debt securities:				
Corporate bonds (investment grade)	-	-	-	0%
Corporate bonds (non-investment grade)	-	-	-	0%
UK Government	22,155.4	-	22,155.4	14%
Other	2,052.5	-	2,052.5	1%
Private equity:				
All	-	544.0	544.0	0%
Real estate:				
UK property	-	8,584.3	8,584.3	5%
Overseas property	-	-	-	0%
Investment funds and unit trusts:				
Equities	24,199.4	-	24,199.4	15%
Bonds	2,530.5	-	2,530.5	2%
Hedge funds	-	-	-	0%
Commodities	-	-	-	0%
Infrastructure	-	23,161.7	23,161.7	15%
Other	-	2,730.4	2,730.4	2%
Derivatives:				
Inflation	-	-	-	0%
Interest rate	-	-	-	0%
Foreign exchange	-	-	-	0%
Other	-	-	-	0%
Cash and cash equivalents:				
All	11,324.6	-	11,324.6	7%
Totals	123,601	35,020	158,621	100%

Fair value of employer assets at 31 March 2024

Asset Category	Quoted prices in active markets £000	Quoted prices not in active markets £000	Total £000	%
Equity securities:				
Consumer	11,218.7	-	11,218.7	7%
Manufacturing	12,381.4	-	12,381.4	8%
Energy and utilities	6,223.2	-	6,223.2	4%
Financial institutions	11,197.8	-	11,197.8	7%
Health and care	6,424.2	-	6,424.2	4%
Information technology	10,229.1	-	10,229.1	7%
Other	1,200.8	-	1,200.8	1%
Debt securities:				
Corporate bonds (investment grade)	-	-	-	0%
Corporate bonds (non-investment grade)	-	-	-	0%
UK Government	16,098.6	-	16,098.6	11%
Other	2,025.5	-	2,025.5	1%
Private equity:				
All	-	1,391.9	1,391.9	1%
Real estate:				
UK property	-	8,357.0	8,357.0	5%
Overseas property	-	0.5	0.5	0%
Investment funds and unit trusts:				
Equities	28,343.8	-	28,343.8	19%
Bonds	6,932.3	-	6,932.3	5%
Hedge funds	-	-	-	0%
Commodities	-	-	-	0%
Infrastructure	-	22,584.4	22,584.4	15%
Other	-	3,521.6	3,521.6	2%
Derivatives:				
Inflation	-	-	-	0%
Interest rate	-	-	-	0%
Foreign exchange	-	-	-	0%
Other	-	-	-	0%
Cash and cash equivalents:				
All	4,254.2	-	4,254.2	3%
Totals	116,530	35,855	152,385	100%

12. Provision for unfunded pensions

	2024-25 £000	2023-24 £000
Balance at 1 April	142	159
Provisions utilised during the year	(36)	(16)
Actuarial valuation adjustment	21	(1)
Balance at 31 March	<u>127</u>	<u>142</u>

13. Other provisions

	2024-25 £000	2023-24 £000
Balance at 1 April	475	507
Released in year	<u>0</u>	<u>(55)</u>
	475	452
Provided in year	<u>44</u>	<u>23</u>
Balance at 31 March	<u>519</u>	<u>475</u>
Not later than one year	40	37
Later than one year and not later than five years	23	23
Later than five years	<u>456</u>	<u>415</u>
	<u>519</u>	<u>475</u>

14. Leases

(i) Right-of-use-assets

	2024-25 £000	2023-24 £000
Cost/valuation		
Opening Balance	7,421	7,973
Remeasurement of existing leases	234	36
Transfers		
Termination of lease	(71)	(588)
Closing Balance	7,584	7,421
Accumulated depreciation		
Opening balance	1,661	1,435
Provided in year	738	814
Transfers		
Termination of lease	(71)	(588)
Closing Balance	2,328	1,661
Net Book Value	5,256	5,760

(ii) Obligations under finance leases at 31 March

	Lease payments 2024-25 £000	Finance charges 2024-25 £000	Lease payments 2023-24 £000	Finance charges 2023-24 £000
Within one year	641	154	531	157
Between 1-2 years	645	139	625	145
Between 2-3 years	669	122	627	132
Between 3-4 years	681	105	652	115
Between 4-5 years	675	88	664	99
Between 5-10 years	1,864	199	2,333	252
Between 10-15 years	367	32	411	47
Between 15-20 years	0	0	32	0
Balance at 31 March	5,542	839	5,875	947

15. Events after the reporting date

No events occurred between the reporting date and the authorisation date that materially affect any of the information contained in these financial statements.

16. Financial instruments

As the cash requirements of SCRA are met through grant-in-aid, financial instruments play a more limited role in creating and managing risk than would apply in a non public sector body of a similar size.

The majority of financial instruments relate to cash or cash equivalents and to contracts for non-financial items in line with SCRA's expected purchase and usage requirements. SCRA is therefore exposed to little credit, liquidity or market risk.

17. Related party transactions

SCRA is a Non-Departmental Public Body sponsored by Scottish Government Education and Skills Department (SGESD). SCRA receives funding from SGESD which is regarded as a related party. During the year SCRA had a number of transactions with other government departments and agencies. No Board Member, key manager or other related party has undertaken any material transactions with SCRA during the year 2024/25 (2023/24: none).

18. Capital commitments

As at 31 March 2025, SCRA had contracted capital commitments of £1.270m not otherwise included in these financial statements for the refurbishment of properties in Glasgow and Inverness which are expected to be completed in the next 12 months (2024: £nil).

19. Reserves

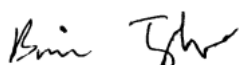
SCRA's General Fund balance as at 31 March 2025 is a deficit of £19.7m (31 March 2024: £18.9m). The deficit has arisen due to an excess of total pension service costs over employer's contributions, and pension net interest costs. SCRA received written assurance from the Scottish Government in April 2023 that Ministers have an ongoing commitment to SCRA as a going concern, and that there are no plans to change the existing arrangements whereby the Scottish Government funds SCRA, including pensions, through grant-in-aid and non-cash budgets.

Direction by the Scottish Ministers



SCOTTISH CHILDREN'S REPORTER ADMINISTRATION DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of Schedule 3 of the Children's Hearing Scotland Act (2011), hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2025, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 12 June 2024 is hereby revoked.



Brian Taylor

A member of the staff of the Scottish Ministers

Dated: 2 July 2025

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www.scra.gov.uk

